

AUSFTA; Defence Undermining Australia

## INTRODUCTION

1. Addressing a public forum last year on her thoughts as to why the bilateral agreement with America was the wrong direction to head, Department of Foreign Affairs and Trade multilateral trade negotiator, Jane Drake-Brockman, extrapolated on Australia's motivations for pursuing this free trade agreement (FTA) with America. Brockman stated that Australia's motivations were based on foreign interests and defence and not on economic considerations.<sup>1</sup>
2. Brockman argued that this bilateral trade arrangement could inflict serious damage to Australia's '*strategic and defence relationship*' with the US.
  - 2.1 Brockman went on to say: '*Australia will end up trading defence bases for butter access.*' And that
  - 2.2 '*If defence bases and butter access are both in effect in the same negotiating arena, then two things are certain. Butter will always lose, as at the end of the day defence will come first. And second,*
  - 2.3 *the friction associated with butter will have irritated and upset our strategic discussion.*'
3. Brockman was convinced that Australia's FTA negotiation with the US was taking place within an economic based vacuum.
  - 3.1 She sited '*that no economic justification has been identified, not least in the consultancy reports prepared for the Government on this issue.*'<sup>2</sup>

---

<sup>1</sup> "A 'Free Trade Area' with the United States; *Centre for Public Policy* Forum Speaking Notes, Jane Drake-Brockman, 10.11.2002

<sup>2</sup> Ibid p3

## TRADE, AT WHAT COST?

### BACKGROUND BRIEF

- 4 The US has been under tremendous pressure from Japanese residents on the Island of Okinawa to relocate its Okinawa Naval Base offshore.<sup>3</sup> Troops stationed in Okinawa may find themselves shifted to Australia,<sup>4</sup> as the US currently undergoes a large transformation of its bases within the Asia-Pacific region. Withdrawing US troops from South Korea is also a possibility.
- 5 In 2000, an Australian Defence White Paper commented on the Australian-US alliance by saying that *“The alliance provides excellent access to the significant influence on US thinking and policy on the Asia Pacific, and we provide a distinctly regional perspective in our contribution.”*<sup>5</sup>
- 6 During 9/11, John Howard was in Washington for an official visit to honour the 50th anniversary of the ANZUS Treaty between Australia and the United States. ANZUS formalised Australia and America’s military relationship.
- 7 Howard was also in America seeking a bilateral free trade agreement and a renewal of the Pine Gap lease agreement with the US.<sup>6</sup> The next day,
- 8 on Sept. 10, Howard and President George Bush signed a statement acknowledging the strength of the bilateral strategic partnership between the two countries.<sup>7</sup> Reflecting on the changes brought about by 9/11, and with Australian approval,
- 9 the Pentagon’s military planners have mapped out a larger strategy, to integrate a new missile defence system known as the National Missile Defence (NMD), into its land, air, sea and soon to be in space, fighting capabilities, to protect America from ballistic missile attack.<sup>8</sup> However, this doesn’t include US allies involved in this defence program.
- 10 They get a similar version known as the Theater Missile Defense (TMD).<sup>9</sup>
- 11 Known as “Son of Star Wars”, this new NMD, aims to protect the US from intercontinental ballistic missile attack. Pine Gap is central to the Son of Star Wars operability.

<sup>3</sup> <http://www.smh.com.au/articles/2003/11/17/1069027050122.html?from=storyrhs>

<sup>4</sup> <http://www.insightmag.com/news/2003/12/23/National/Plan-To.Shift.Bases.Shakes.Up.Allies-574574.shtml>

<sup>5</sup> <http://www.austemb.org/PDF/AUS-USrelationship03.pdf>.

<sup>6</sup> <http://nukefreeaus.org/downloads/NMDsep12.pdf>

<sup>7</sup> <http://www.csis.org/pacfor/cc/0302Qoa.html>

<sup>8</sup> <http://www.iht.com/IHT/MR/00/mr071900.html>

<sup>9</sup> Ibid

- 12 Pine Gap is a US military base consisting of 900 staff.<sup>10</sup> It is integral to the US's military intelligence and weapons delivery systems within the Asia, Pacific and Middle East regions.
- 13 In 2001, for the first time in its history, Howard invoked the ANZUS Treaty for Australian involvement in the US-led military campaign in Afghanistan.<sup>11</sup> Against this military backdrop, the touted FTA with America was already raising questions about its political context.
- 14 Ann Capling expressed her views on the dangers of Australia's underlying motivations for a bilateral free-trade agreement with the US to the Sydney Institute in April 2001. Capling said that *'there is a growing concern that Canberra's overriding objective in a trade deal is to deepen its strategic ties with the United States'*.<sup>12</sup> A couple of years later
- 15 Australia's 2003 Defence Update declared, *"Our relationship with the United States remains a national asset. The United States' current political, economic, and military dominance adds further weight to the alliance relationship. The alliance increases Australia's ability to contribute effectively to coalition operations."*<sup>13</sup>
- 16 When Howard visited Bush in May 2003 in Texas, the Australian government issued a statement describing the ANZUS treaty as *'a key part of Australia's national security and defence strategy.'*<sup>14</sup> In the same month Howard was visiting Bush,
- 17 AFTINET pointed out *'that both the US and Australia have linked the AUSFTA with the post-September 11 security alliance. The Australian government's recent White Paper on Trade and Foreign Affairs (DFAT) said it would "put our economic relationship on a parallel footing with our political relationship".'*<sup>15</sup>
- 18 Other commentators including APEC's Greg Wood observed that *'it would be a mistake to imagine that we can "buy" an FTA with the US through our stance on specific international issues. That equation simply won't work when the US Congress comes to give a tick or a cross to the agreement, and US special interests are applying intense political pressure. In any event these will be difficult and protracted negotiations, as likely to cause rancour as closeness in Australian public attitudes to the US. Because of that, the negotiations need to be very carefully managed and a few degrees of*

---

<sup>10</sup> [http://www.anti-bases.org/nmd/us\\_base\\_pg\\_alice.htm](http://www.anti-bases.org/nmd/us_base_pg_alice.htm)

<sup>11</sup> Ibid

<sup>12</sup> <http://www.ssn.flinders.edu.au/politics/posspecial/kelton.pdf>.

<sup>13</sup> <http://www.austemb.org/PDF/AUS-USrelationship03.pdf>.

<sup>14</sup> Ibid

<sup>15</sup> <http://www.aftinet.org.au/campaigns/USFTALeaflet.May03.pdf>.

*separation maintained between the trade and foreign policy elements of the Australia/US relationship.*<sup>16</sup>

- 19 In December 2003, as the bilateral trade negotiations continued, US and Australian military officials met in Canberra to negotiate ‘a memorandum of understanding’ on Australia's participation in the US missile defence program.<sup>17</sup>
- 20 Describing this memorandum of understanding as a ‘formal agreement’, the ABC reported that the negotiations included for Australia’s incorporation into a missile defence system. Treasurer Peter Costello however was quick to dispel public concern by saying that no funds had been earmarked for such a project.<sup>18</sup>

### WHAT DID AUSTRALIA COMMIT TO?

- 21 Defence Minister Hill announced that Australia would sign up to the US’s Son of Star Wars program. It was later confirmed that Pine Gap would act as the nerve centre, feeding information back to the US as part of the NMD program.<sup>19</sup>
  - 21.1 For Australia to be involved in the Son of Star Wars program, it had to agree to the requirement of recalibrating its military capabilities to conform to American standards.
  - 21.2 An obvious requirement would be the purchase and access to US military hardware, regardless of whether the hardware is best suited for Australian conditions. See 24.6
  - 21.3 Additional announcements regarding Australia developing a closer relationship with the US military included:
    - 21.3.1 Hill launching a public document called the Defence Capability Plan 2004-2014<sup>20</sup>, which details how the Australian Defence Force will evolve to suit ‘our increasingly complex security situation’.
    - 21.3.2 This document outlines 64 projects with 116 phases currently valued at about \$50 billion.

<sup>16</sup> <http://www.apec.org.au/docs/fta2woo.pdf>

<sup>17</sup> Ibid

<sup>18</sup> <http://www.abc.net.au/worldtoday/content/2004/s1041206.htm>

<sup>19</sup> [http://news.com.au/common/story\\_page/0,4057,9120419%255E15319,00.html](http://news.com.au/common/story_page/0,4057,9120419%255E15319,00.html)

<sup>20</sup> <http://www.minister.defence.gov.au/HillSpeechtpl.cfm?CurrentId=3490>

21.3.3 Australia and US Navies signed an agreement on Surface Warfare. Senator Hill said this would significantly assist Australia in developing its new air warfare destroyers.<sup>21</sup> This agreement will:

21.3.3.1 ‘Provide the RAN with support on technological development and doctrine.

21.3.3.2 Help make the technology systems of the two navies compatible.

21.3.3.3 Encourage more joint training exercises.

21.3.3.4 Foster more cooperation in defence science, technology and industrial relationships to enhance the warfighting capabilities of each Navy.

21.3.3.5 Assist with the continuing development of the Air Warfare Destroyer combat system design.

21.3.3.6 Facilitate Australian industry involvement in USN programs such as the Littoral Combat Ship and its associated mission modules.<sup>22</sup>

21.3.3.7 Hill said “Major projects include the acquisition of three state-of-the-art Air Warfare Destroyers...”, including

21.3.3.8 “...the integration of the Standard Missile-2 into the Adelaide class guided missile frigates and the introduction of the enhanced Harpoon Block II anti-ship missile into the fleet.”

21.3.3.9 Both the Standard Missile-2 and enhanced Harpoon Block II are US missiles.

21.3.4 These missiles are part of the Star Wars program.<sup>23</sup> Hill had previously stated that Australia planned to buy air warfare destroyers for the navy, which could be fitted with the SM3 missiles capable of shooting down long-range ballistic missiles.<sup>24</sup> *"It's got the capability to basically meet and intercept missiles outside of the atmosphere,"* Hill told ABC radio.<sup>25</sup>

<sup>21</sup> <http://www.minister.defence.gov.au/Hilltpl.cfm?CurrentId=3573>

<sup>22</sup> Ibid

<sup>23</sup> <http://cnews.canoe.ca/CNEWS/World/2004/01/13/311948-ap.html>

<sup>24</sup> <http://www.abc.net.au/news/newsitems/s1024421.htm>

<sup>25</sup> <http://www.nautilus.org/napsnet/dr/0401/JAN13-04.html>

21.4 As trade negotiations continued, the Pentagon's highest-ranking military officer, Joint Chiefs of Staff Chairman General Richard Myers, paid a three day visit to Australia to help solidify a closer working relationship between Australia and the US military. One of the main initiatives Myers announced was:

21.4.1 the proposed establishment of a US training and logistics 'staging post' based in Darwin. Myers stressed for the need for the Australian military to keep its "interoperability" with US forces.<sup>26</sup>

21.4.2 This base will house up to 5,000 personnel on a rotational basis, equipment including tanks, aircraft, fuel and ammunition to equip for a rapid deployment of US troops into theatres of war within this region.

21.4.3 The offer of this base was linked to America applying pressure on Australia to purchase 100 second hand M-1 Abrahms tanks from Iraq (see 24.6), for half price.<sup>27</sup> Australia however was keen to replace its old German Leopard 1 tanks with the lightweight Leopard 2.<sup>28</sup>

## 22 What are the Environmental, Social, and Indigenous Implications from the above developments?

### ENVIRONMENTAL IMPLICATIONS

In context with US domestic environmental concerns and the cost to communities in countries where US personnel were based; how will Australia's local, state and or federal regulatory regimes be able to protect our environment and communities from possible US military exploitation or neglect?

22.1 Within America, the US Department of Defense (DoD) lobbied to exempt themselves from their federal environmental Endangered Species Act and the Migratory Bird Treaty Act, contained in the National Defense Authorization Act for 2003.<sup>29</sup>

22.2 Observers also feared that the US Senate versions of the bill could also exempt the DoD from sections of the Marine Mammal Protection Act, the Clean Air Act, and some hazardous-waste laws.

---

<sup>26</sup> Ibid

<sup>27</sup> <http://www.smh.com.au/articles/2003/11/17/1069027050122.html?from=storyrhs>

<sup>28</sup> <http://www.wsws.org/articles/2004/jan2004/myer-j22.shtml>

<sup>29</sup> <http://www.csmonitor.com/2002/0603/p03s01-usmi.html>

- 22.3 As the cleaning up of pollution left behind by the closure of US bases in the Philippines and Germany indicates; the US military is already considered to be one of the world's worst polluters.
- 22.4 Gary Vest, Principle Deputy Undersecretary of Defense for Environmental Security said *"there is not a [US] military base in the world that doesn't have some soil or ground water contamination. That is just a given."*<sup>30</sup>
- 22.5 **Toxic Waste.** The cleaning up operations of the vacated US Clark and Subic bases in the Philippines in 1992, found wells poisoned by insecticides, industrial waste and toxic metals buried in unmarked landfills, and petroleum which had leached from underground tanks contaminating ground water and nearby agricultural lands.

Disproportionately high rates of illnesses were also reported amongst Filipinos living at or near the bases.

The total bill estimated in decontaminating Clark and Subic came to \$1 billion, which the US claimed exemption from liability. The US also refused to provide technical assistance and pertinent documentation.

In 1999, a US Department of Defense inspector general said base cleanup costs in Germany could total \$1 billion.<sup>31</sup>

- 22.6 However, developments in dealing with toxic waste from US bases in Japan, could pose a serious problem for Australia. On March 23, 2000, the US military sent a ship laden with a 100 tonnes of PCB contaminated waste to a recycling plant in Canada. After the Canadian government denied the ship into Canada, it was diverted to Seattle's port. After Seattle dockworkers refused to unload the carcinogenic waste, the ship returned with its waste back to Japan's Yokohama Port.

The reason why the US military couldn't send it directly to the US is because the US has banned the importation of foreign-made PCBs into the States. Plus Japan has no facilities for disposing of the toxic waste. If Australia finds itself in a similar situation how will it deal with the US military?<sup>32</sup>

- 22.7 Taking pollution into consideration, it is already an established fact that America is not immune from environmental disasters. One study into contamination of toxic waste on US military bases found 14,401 "Toxic hot spots" in 1,579 military bases.<sup>33</sup>

<sup>30</sup> <http://www.antiwar.com/orig/wokuschi.php?articleid=1761>

<sup>31</sup> Ibid

<sup>32</sup> [http://www.ban.org/ban\\_news/us\\_military2.html](http://www.ban.org/ban_news/us_military2.html)

<sup>33</sup> <http://www.preda.org/archives/1997/r9704021.htm>

- 22.8 **Noise Pollution** is another area of contention for overseas communities living close to US military bases. 3471 residents of Kanagawa Prefecture filed a lawsuit over aircraft noise at the US Atsugi Naval Air Station, to the Japanese government.

The Plaintiffs claimed that noise disturbance had continued unabated since a January 1996 ruling by the Tokyo High Court, which found that noise from US navy take-off and landing drills and by Japan's Maritime Self-Defence Force, which also uses the base, had reached an illegal level.<sup>34</sup>

- 22.9 **Depleted Uranium.** Some M-1 Abrahms tanks recently sent to Iraq were reported to have Depleted Uranium (DU) armour plating<sup>35</sup>. Are any of these same tanks destined for Australia?

- 22.10 Some M-1 Abrahms tanks and other US military hardware used in Iraq or Afghanistan, may have also been exposed to, and/or, harbour DU dust. The toxicity of DU dust lasts for 4.5 billion years and is well documented for causing chronic illness, deformities and cancer amongst both civilian and military personnel.<sup>36</sup> Given the size of the dust particles it is also very costly and hazardous to clean up.

22.10.1 Will Australia exempt the US military from abiding by our environmental standards -including the costs of cleaning up after themselves?

22.10.2 The Northern Territory is internationally renown for its diverse environments, wildlife and indigenous communities. It is home to hundreds of bird species, including those that migrate. Given the America's DoD is still lobbying to remove pressure on its military to protect endangered species on land controlled by the DoD, how will Australia be able to ensure for the protection of its environment and species from the US military?

22.10.3 Will Australia be able to ensure that US and/or joint military bases will not exceed allowable noise limits?

22.10.4 Will Australia be able to ensure that no land, civic populations and military personnel will be exposed to DU in Australia including within its economic sea zone? And,

22.10.5 if Australia is coerced into purchasing second hand DU armoured M-1 Abrahms tanks, that proper maintenance procedures will minimise against the release of DU dust into Australia's environment?

<sup>34</sup> <http://www.nonoise.org/news/1998/feb22.htm>

<sup>35</sup> <http://www.mindfully.org/Nucs/2002/DU-Military-Use02.htm>

<sup>36</sup> <http://www.tehrantimes.com/Description.asp?Da=4/28/2004&Cat=2&Num=016>

22.10.6 Will the US be allowed to test weapon systems including materials such as Depleted Uranium (DU) on, or under Australian soil, within our economic sea zone and/or our airspace?

22.10.7 Can Australia ensure that the US will have to deal with its own carcinogenic and/or toxic wastes in a fashion that doesn't harm Australia or its neighbouring countries?

## 22.11 SOCIAL IMPLICATIONS - HUMAN RIGHTS

### BACKGROUND

Australia's western style democracy and close relationship with America should be able to stave off comparable social effects wrought by US servicemen in overseas bases.

However, my main concern is the possible behaviour of US troops stationed on Australian soil and perpetrating similar crimes within our Pacific and Asian region. I believe it is wise to take into consideration the reports of systemic human rights abuse perpetrated by overseas US personnel, as this culture of abuse could continue in our region if we do not take steps to alleviate this from occurring.

Given that back in August 30, 2002, Australia was planning to exempt America from the International Criminal Court (ICC),<sup>37</sup> this could hamper Australia's ability in influencing better practises amongst American personnel serving in the Asian region.

### US SERVICEMEN -THE FILIPINNO LEGACY

22.11.1 The People's Recovery, Empowerment and Development Assistance Foundation, or PREDA, nominated twice for the Nobel Prize, was founded in 1974 in Olongapo City, Philippines, to protect '*sexually exploited and abused*' Filipino women and children.<sup>38</sup>

22.11.2 PREDA has assisted Filipino-American children left behind by US personnel, with therapy and counselling. PREDA believes that thousands of Filipino-American children were rejected by their US fathers. Many of these children wound up on the street begging, or in child prostitution.

<sup>37</sup> <http://www.theage.com.au/articles/2002/08/29/1030508097496.html>

<sup>38</sup> <http://www.preda.org/home.htm>

22.11.3 PREDA also reported ongoing cases of children sold as prostitutes to paedophiles serving within the US Seventh Fleet.<sup>39</sup>

22.11.4 PREDA reports that U.S. navy authorities turned a blind eye after their own Naval Investigative Service found that child prostitution rings were flourishing.<sup>40</sup>

22.11.5 The US Navy is the only navy in the world to have negotiated with the Filipino government to grant immunity from prosecution for its US Servicemen calling in any of its 22 Philippine ports.<sup>41</sup>

22.11.6 Opposition from NGO's claimed that this was 'a guise for access to "Rest & Recreation", facilities, such as brothels.

22.11.7 *It is anticipated that there will be an increase in the recruitment and supply of child sex workers due to an increased demand . Child sex workers are a favorite target for pimps supplying the brothels and the current sex tour industry.*

22.11.8 *Children are touted as being virgins and HIV free. They are more easily recruited from the villages and controlled in secluded brothels. Poverty stricken, victims of sexual abuse in the home they wander the streets and are abducted or lured into the work place with offers of money clothes and food.*

22.11.9 *Many of the children already in the sex trade are Filipino-American (Amerasian) children.*

22.11.10 *It is presumed that the seeking of immunity is to forestall the expected run of crimes that they will commit against the strict child protection laws and the severe anti-rape laws...*

22.11.11 *...Navy officials have informed us that the negotiations for access and immunity are political in nature and that the Commander-in-Chief of the Pacific Command is acting on behalf of the President of the United States.*

22.11.12 *This therefore is a political issue. It is believed to be a response to the Okinawa incident where three US Marines went on trial for the rape of 12 year old school girl.'*<sup>42</sup>

---

<sup>39</sup> PREDA, The Throwaway Children Of The U.S. Seventh Fleet, Father Shay Cullen SSC, Document Ref No: R9203211, 21st March 1992

<sup>40</sup> PREDA, Paper to Child Labor Coalition, Washington, Father Shay Cullen SSC, Document Ref No: R9708011, August 1997

<sup>41</sup> Ibid

<sup>42</sup> Ibid

- 22.11.13 While Donald Rumsfeld was touring Asia last November, the Governor of Okinawa told Rumsfeld to move the US naval base.
- 22.11.14 After years of pent up frustration in Japan, the US is finally heading their call and beginning to transfer troops from Japan to other areas in the Pacific.
- 22.12 Australia's indigenous nations have suffered a long history of abuse from domestic military misadventures. The most recent being the British nuclear tests at Maralinga.<sup>43</sup>
- 22.13 Has Australia learned from its tragic policy of the past in granting allied countries, rights to test horrific weapons which caused untold suffering and death to its indigenous people?
- 22.14 How will Australia's indigenous rights be protected from possible US military encroachment on either indigenous land, including land claims, and, claims for rights of access to land that has been, or, may be zoned for joint or sole US military use?
- 22.15 Will Australia be able to ensure that US troops stationed on our soil, treat communities within the Pacific and Asian region in a way that does not reflect badly on Australia?
- 22.16 Will Australia be able to prosecute against sex crimes perpetrated outside Australia by US personnel stationed in Australia?
- 22.17 Given that under the US Refugee/Repatriate Program, Amerasian children from such countries as Vietnam have been repatriated into the United States<sup>44</sup>, will Australian urge America to widen the purview of this program to allow for the repatriation of children fathered overseas, by US personnel stationed in Australia?

---

<sup>43</sup> <http://www.tac.com.au/~anva/indigenous.htm>

<sup>44</sup> <http://163.191.134.21/docs/rules/dir/89-115.pdf>

**23 What are the Economic and/or Sovereign Implications from the above developments?**

BACKGROUND BRIEF

Australia's Department of Employment Science and Training (DEST) prepared an *'Opportunities for Research and Innovation'* paper on the AUSFTA. Their first recommendation calls for:

*'The Australian and US Governments negotiate effective and efficient access to each country's science and innovation systems, taking steps such as:*

*open government procurement markets, particularly defence and other high technology areas.'*<sup>45</sup>

As this example below from New Zealand illustrates, Australian Defence Forces may already be opening up its tendering for defence procurement with the US, but not in a manner more suitable for a modern democracy.

The US's domestic economy is dominated by the military industrial sector. America is one of the largest exporters of military hardware. As this case below demonstrates, under the guise of tendering out their government procurement contracts, NZ government defence bureaucrats were caught trying to quietly integrate their latest acquisitions for their Air Force with the equivalent Australian and US military systems.

EXAMPLE

New Zealand Author and researcher Nicky Hager uncovered just how far the NZ Defence Force was prepared to go to cover up their dealings with the US government.

NZ Defence claimed that \$445 million was needed to upgrade six Orion planes. As Hager pointed out, *'this is enough to buy a brand new computer for all 224,000 secondary students in New Zealand – how can that much be needed for new electronics on six aircraft?'*<sup>46</sup>

Hager found that the Orions were to be fitted out with high-tech hardware that integrates into a US designed system for a US-led war. The Orion's original intentions for searching fishing vessels or lost yachts had been altered by NZ Defence to integrate the Orions into a US initiative called Project Sirius. The documents detailing NZ Defence's tenders for the equipment mentioned its

<sup>45</sup><http://www.dest.gov.au/science/pmseic/documents/Opportunities%20for%20research%20and%20innovation.doc>.

<sup>46</sup><http://home.clear.net.nz/pages/wpnz/jlv31-00-orion.htm>

civilian uses in one sentence – the next 200 pages detailed its warfare requirements.<sup>47</sup>

Hager found that if NZ Defence were to gain this contract, it would bring NZ in line with Australia which uses identical Sirius equipment. Hager says this would make NZ *'part of a larger coalition force integrated into an international, probably US led, coalition maritime order of battle'*.

- 23.1 According to the Australia Industry Group's (AIG) brief on defence exemptions in the AUSFTA, the Australia Defence Forces may be playing out similar tactics as to those described above by Hager.
- 23.2 AIG claims *'Strategic defence items (items for national security) are excluded from the Government Procurement agreement. Whilst the Department of Defence is included in the list of Government Agencies to which the chapter applies, there is also a reservation list for Defence excluding strategic items.'*<sup>48</sup>
- 23.3 The reservation list for Defence excluding strategic items is where Australia could be aligning itself closer with US tactical command and with the procurement of military hardware.
- 23.4 Will the Australian government ensure that Australia will not buckle under US pressure when awarding defence contracts?
- 23.5 Will Australia ensure that its defence procurement contracts will not be watered down in favour of buying US military hardware?
- 23.6 As has already been demonstrated with the US applying pressure on Australia into purchasing 100 M-1 Abrams tanks, which are considered too expensive and inappropriate for Australian conditions,<sup>49</sup> does America's military agenda compromise Australia's capacity to defend itself the best way Australia sees fit?
- 23.7 Will Australia ensure Australian companies will be given first rights of preference, if our procurement programs are opened up to US competition?
- 23.8 Our domestic economy and defence requirements are bound to alter as we become more integrated with the US military. Will any future governments, under the purview of this free trade agreement, be able to ensure that our investment regimes will not bias towards military investment?
- 23.9 Will the US military be exempt from scrutiny within the Australia's Parliament and Senate?

---

<sup>47</sup> Ibid

<sup>48</sup> [http://www.aigroup.asn.au/aigroup/pdf/publications/factsheets/fact\\_sheet\\_govtproc1\\_250204.pdf](http://www.aigroup.asn.au/aigroup/pdf/publications/factsheets/fact_sheet_govtproc1_250204.pdf).

<sup>49</sup> Ibid

## 24 Will Australia be safer aligning itself closer to the US military?

- 24.1 After Howard announced the Australia-US missile defence deal, Indonesia described it as an “offensive” move.<sup>50</sup> Soon
- 24.2 Australia may have to deal with General Wiranto as President of Indonesia if he wins the current Presidential elections.<sup>51</sup> Given that he has been accused of war crimes, and has been critical of Australia’s foreign policy, and that many Indonesian Muslims have been critical of Australia’s involvement in the Iraqi war, his election as President may not bode well for Australia.
- 24.3 When the idea of using Pine Gap was first suggested by then US Defence Secretary William Cohen, former Prime Minister Malcolm Fraser said that accepting the US proposed nuclear missile defence shield would make Australia a target.<sup>52</sup>
- 24.4 Fraser told ABC radio that; *“An Australian government has to judge our own national interest, our won national security interest and requirement and the needs and desires of the United States do not necessarily conform with what is necessary for the security and integrity of Australia.”*
- 24.5 Fraser wrote to The Australian stating that Canberra should *“refuse absolutely”* to allow Pine Gap to be used for missile defense as it *“would be a prime target for attack.”*<sup>53</sup> Fraser went on to say
- 24.6 that the long-standing alliance Australia shares with the United States would *“become an impediment to our security, rather than a safeguard for that security.”*
- 24.7 Observers fear that if the US deploys this missile shield, that China, India and Pakistan, could respond with a regional nuclear arms race through modernizing and enlarging arsenals of nuclear weapons and improving their ballistic missiles.<sup>54</sup>
- 24.8 The US has admitted that it has shifted its trajectory of interest into the Asia region as it perceives China as a growing threat.<sup>55</sup>

<sup>50</sup> <http://www.newagebd.com/jan3rd04/170104/inat.html>

<sup>51</sup> Kathy Marks, Asia-Pacific Correspondent. 22 April 2004, Independent Digital (UK) Ltd

<sup>52</sup> <http://www.converge.org.nz/pma/aunucbas.htm>

<sup>53</sup> <http://www.iht.com/IHT/MR/00/mr071900.html>

<sup>54</sup> Ibid

<sup>55</sup> [http://www.anti-bases.org/nmd/target\\_china.htm](http://www.anti-bases.org/nmd/target_china.htm)

- 24.9 What hasn't been widely reported however is China's readiness for a confrontation with the US.<sup>56</sup> Borrowing from my article, Chinese Jitters, published by Management Today, August 2003,
- 24.10 according to media analysts, the Chinese Communist Party leadership is convinced that some form of confrontation with the United States could come earlier than expected.
- 24.11 CNN's senior China analyst, Willy Wo-Lap Lam, believes that Beijing has been honing in on its domestic and security policies to counter the perceived threat of US - *"neo-imperialism."*
- 24.12 Now with Canberra backing the NMD, this could seriously damage Australia's relations with China to the point where Beijing may consider striking Pine Gap with its long-range missiles.<sup>57</sup> Taking into account what Rumsfeld is reported to have said:
- 24.13 *"a system of defence need not be perfect";*<sup>58</sup>
- 24.14 and that the Russians claimed recently to have conducted successful missile tests for a new delivery mechanism that can avoid America's NMD<sup>59</sup>, and therefore make the whole Star Wars program obsolete,
- 24.15 what contingency measures, if any, does Australia plan to employ if Australia is struck by one or more nuclear warheads?

---

<sup>56</sup> [http://www.hindustantimes.com/news/181\\_221476,0005.htm](http://www.hindustantimes.com/news/181_221476,0005.htm)

<sup>57</sup> Ibid

<sup>58</sup> [http://www.anti-bases.org/nmd/armed\\_wing\\_of\\_globalisation.htm](http://www.anti-bases.org/nmd/armed_wing_of_globalisation.htm)

<sup>59</sup> <http://www.strategypage.com/messageboards/messages/23-536.asp>

## CONCLUSION

25 I firmly believe that had this senate committee been made aware of the ramifications to Jane Drake-Brockman's claims, and widened the terms of reference for this inquiry to include for the Australia-US military agreement that was negotiated in parallel to the FTA, then this inquiry would have been able to assess the FTA within its political and strategic context.

26 I believe;

26.1 that bureaucrats within Australia's defence circles had an ulterior motive by allowing the military agreement to be negotiated at the same time to the free trade agreement. And by so doing,

26.2 compromised Canberra's ability in gaining the best optimal benefits from the free trade agreement for Australia, and that

26.3 the Australia-US ultimately undermines Australia's defence and regional interests.

27 RECOMMENDATION 1:

That Australia withdraw Pine Gap from the NMD program immediately, and

28 RECOMMENDATION 2:

that Australia not ratify the AUSFTA until it conducts a wider ranging Joint Federal/Senate Inquiry to establish how the military negotiations have compromised Australia's national interest, security, trading relationships with the US, and its foreign and trading relationships with countries within its region.

29 RECOMMENDATION 3:

To curb the proliferation of weapons of mass destruction, Australian should call on the UN to establish a team of intelligence/weapons inspectors and invite them to inspect Pine Gap whenever they see fit.