

**The Hon. Arthur Sinodinos AO  
Australia's Ambassador to the United States**

**Defense Writers Group  
Project for Media and National Security  
George Washington School of Media and Public Affairs**

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**Moderator:** Greetings and welcome to a Defense Writers Group special afternoon session. We have a really extraordinary guest today, the Australian Ambassador to the United States, the Honorable Arthur Sinodinos. Sir, thank you for joining us. It's great to have you here at such an important time.

As always, this discussion is on the record but there will be no rebroadcast of audio or video. I'll open with the first question as is our standard and then I'll go around the room.

Mr. Ambassador, I was in the Pentagon just last week actually for meetings and as chance would have it I walked down the ANZUS Corridor, and I noticed that this is the 70<sup>th</sup> anniversary of the Australia-New Zealand-US Treaty founded on shared principles. It's certainly stood the test of time.

But the news today is something very, very different. Not a treaty but an agreement among Australia the US and UK.

If you could, help us set the stage, sir. How did we get to this moment and where do we go from here in relations between and among our countries?

**Ambassador Sinodinos:** Thanks very much, Thom, and thank you all of you for being here.

You allude to the ANZUS Treaty and I'll start there This is the 70<sup>th</sup> anniversary of the treaty. It had its origins during the Cold War when the U.S. was developing a whole network of alliances and partnerships across both Europe and Asia, but that treaty I think in particular reflected the strong bonds between our two countries and also of course with New Zealand. And those bonds have been forged in military conflict - World War I, World War II. And I think it indicated the confidence we had in each other, the trust in each other, and the belief that we were fighting for many similar values. And also don't forget this was in the shadow of the post-war settlement where in contrast to the end of World War I and the Treaty of Versailles where the U.S. in one of probably the most generous acts of enlightened self-

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interest put together essentially the elements of this global rules-based order which has underpinned peace and prosperity since then. So for Australians and Americans standing up for those values, standing up for a rules-based order has always been very important.

There was a time there, it was interesting, when people used to think oh, well, how much further can you take an alliance or this sort of relationship, you know? But the reality is that circumstances change and as circumstances change you adapt.

In our own region a lot of circumstances have changed in recent years. Strategic circumstances have changed, no doubt about it. The big story of the latter part of the 20<sup>th</sup> century and the 21<sup>st</sup> century is the rise of China. And in some ways it's a return to great power status. That raises issues about the nature of the global order.

The aspiration we have, and I believe Americans have and other like-minded countries, the sort of countries that stand up to the values we believe in, it's have a global rules-based order that applies to all countries, big and small. And that our aspiration is for China to be very much part of that order.

The actions that were taken, for example the accession of China to the WTO, the World Trade Organization, were all part of that strategy of bringing China in. But as China has risen and the center of gravity of the global economy, the global geopolitics, if you like, has shifted to the Indo-Pacific and that's raised real challenges as strategic circumstances have changed.

When we did our White Paper on defense in 2016 we looked out and we saw the way in which our geostrategic circumstances were changing, but those trends that we saw then have accelerated. So last year we did a Defense Strategic Update to take account of that. In doing that we committed ourselves to raising our defense spending further. We committed ourselves to getting new capabilities. We in fact I think committed at that stage to something like an extra 270 billion in capability spending over the next decade. At the moment our defense spending is trending towards 2.5 percent of GDP.

So as we looked at our changed strategic circumstances in the region and the trends we identified then - the increasing militarization in the region, the new capabilities coming on the

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horizon - the decision was taken that we had to upgrade and update our capabilities. That meant revisiting, reevaluating decisions that we had taken.

AUKUS is one of the products of that reevaluation. Not the only one. As I said before, this was a process set in train by the Defense Strategic Update last year. But it is one of the most tangible.

Now it's important to understand that this is not just about submarines. Submarines are very important as a capability, but my Prime Minister puts particular focus on the non-submarine aspects of AUKUS because he sees the capabilities that that encompasses, whether it's in artificial intelligence and machine learning, cyber, other undersea warfare capabilities, quantum. Those are all very important capabilities for Australia to develop high level capacities in, and that we cannot do this on our own. And AUKUS is about not a defense alliance or a defense package, it's essentially about capability. So you've got subs and you've got the non-sub aspects of AUKUS.

What we're finding talking to the Americans is that they're saying the same thing. We can't do it on our own. The countries need all to invest, but work together. And if we work together it's a force multiplier. And for us the submarine aspect of AUKUS meant that when we were thinking about what we do in terms of upgrading our capability, it was natural to think about where do we get the best, most up to date capability which meets our requirements and which also avoids the need for us to develop a civilian nuclear industry or have to do things on shore? That capability is what the British and the Americans were able to bring to the table.

So there's been a process for the last year or so, after September, of Australis doing a bit of discovery with the Americans and with the British about what was possible and that culminated in the announcement in September.

You'd have to ask the Americans about what their motivation about AUKUS is. My view is that they saw that capacity to work with us and others as meaning that working together produces a result which is greater than the sum of the parts. That's the point. And also it builds on one of the unique advantages of the U.S. as a geostrategic power, and that is its network of alliances and partners.

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So for us over the next 18 months there's going to be a process of evaluating what is the optimal pathway in terms of submarines, a whole series of decisions to be taken around workforce, around design, around construction. We want to build to a mature design, not spend the next few years redesigning submarines or whatever for a particular purpose.

And in the meantime we will also get on with the non-submarine aspects of AUKUS. Overnight the Prime Minister is announcing a list of over 60 critical technologies for Australia which encompasses some of the capabilities I just announced for reference. He's making a speech to the Sidney Dialogue and by the end of the year the three AUKUS members will be putting their heads together around how we cooperate on those non-submarine capabilities as well.

I should stop there because there are lots of questions. I don't mean to go on, but that's just to give you some background.

**Moderator:** A great scene-setter.

As a retired newspaperman, I'd like to follow up and ask about how you kept it secret so it didn't leak?

**Ambassador Sinodinos:** That's the one thing journalists always ask.

**Moderator:** But there are a lot of questions from the floor, sir. First is Tony Bertuca of Inside Defense.

**DWG:** Ambassador, thank you for being here today.

Of late in this country there has been bipartisan interest in Buy America regulations, strengthening those, especially when it comes to the defense industrial base. It hasn't quite gotten put into law yet, but obviously this is something that has the potential to be disruptive to co-developing something like a nuclear submarine.

What is your read on the bipartisan surge for Buy America lately in the U.S. Congress, and how disruptive do you think it has the potential to be when it comes to working on weapon systems with the United States?

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**Ambassador Sinodinos:** Thanks, Tony.

I think the first thing to say, particularly in light of the COVID pandemic there's been much more of a discussion around supply chains and onshoring, reshoring, and how countries work with allies and partners to create greater reliability around supply chains.

So it's natural in that context that it would reinforce the view about Made in America, make it at home, and all the rest of it.

Australia and the UK and to some extent Canada, are in an interesting position. We're classified as being part of the National Technological Industrial Base. That happened a few years ago.

Now it's true that that's not quite working as smoothly as it could because of red tape or other reasons, and as part of this process with AUKUS, we're actually looking at ways we use those processes to actually get more traction on our participation in the National Technological Industrial Base, because the whole basis of the capabilities we're talking about here is that it's about interoperability, it's about joint capabilities. So whether it's in the context of work that's now going on about the National Defense Authorization Act or whatever, we'll be making strong representations about recognizing the role of allies and partners.

You'll see in some of the executive orders that are being put out around supply chains, the administration has explicitly acknowledged that there will be circumstances in which they'll want to work with allies and partners. So I think that gives us a chance to have a dialogue about what does Made in America mean in practice when we're thinking about having a force multiplier by working together.

**Moderator:** Next question, Eric Schmitt of the New York Times.

**DWG:** Mr. Ambassador, the Pentagon is expected to release its Global Force Posture Review soon. I'm wondering if you've been briefed on it yet, at least some of the tentative outlines? And even if you haven't, what might you expect to see in your neck of the woods in terms of growth of U.S. forces? Obviously there are Marines in Australia now, but what would you expect elsewhere to grow or change in the Indo-Pacific theater?

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**Ambassador Sinodinos:** Thanks, Eric.

I haven't been briefed on the paper that's coming, but at the [ASEAN] meeting earlier this year we talked about force posture initiatives, and last year we'd set up a working group on force posture initiatives. And you're right, some of the things that have come out of that over time have been the Marine Rotational Force in Darwin, enhanced air cooperation,, and we are discussing with the U.S. what further force posture changes could occur. So once that paper is out, obviously, that will provide a bit of a baseline about what is or is not possible.

We also entered into sort of a classified agreement on the strategic intent on capabilities and all the rest of it. So all of these things will work together.

There's a lot of work to do to bring it together, but once that paper is out things will be a lot clearer publicly and we'll be able to speak about this more publicly as well.

**DWG:** Would you see for instance a larger, see more development in Guam? It's obviously outside of Australia, but elsewhere in the region outside of Australia, a significant increase whether it's, at least in rotational forces but even more permanently based forces.

**Ambassador Sinodinos:** I think rather than speculate on what else the U.S. might do, I'd say that Australia is open to doing more. That's the purpose of having things like the force posture working group. And what's been interesting under this administration is that the Defense Secretary, Lloyd Austin, has been very clear to us that he's very much a believer in the concept of integrated deterrence. So when we think about what might happen in the context of force posture, it's always in a context where also looking at strategic options and then looking at what is the best way to achieve an objective? What do you do militarily? What do you do in terms of economic and trade engagement? What do you do in terms of development aid? What do you do in terms of diplomacy? So I suspect a lot of that analysis will be embedded in those sorts of concepts as well.

**Moderator:** Next question is Colin Clark of Breaking Defense.

**DWG:** Sir, I've been trying to figure out a way to lead you to

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tell us something really interesting about AUKUS.

**Ambassador Sinodinos:** My job is to avoid that.

**DWG:** Exactly.

One of the things that's been discussed is the addition of at least one and maybe two other countries - Japan and Canada. It's awfully early days yet, but is there something that is being discussed? And what would you put the odds at?

**Ambassador Sinodinos:** Thanks. Every time there's a new arrangement, a new grouping, it becomes like the new kid on the block and everybody wants to join. When the Quad came about there were people saying well who's going to be next? I think it's a bit the same with AUKUS. And you're right. In part, the answer is it's early days. The British Chief of the General Staff suggested in some briefings that there might be elements, more of the non-submarine aspects of AUKUS where there might be joint development with others. I think some of the Europeans would be interested in that, I suspect, and some of our Asian friends as well.

But I think we've got to give ourselves 18 months to get the submarine sorted, and as I mentioned before, on the non-sub aspects of AUKUS work out the sort of capabilities that we're looking to progress and promote and then we'll see where things go from there.

My own previous position always with these things is to support open systems rather than closed systems because at the end of the day, our European partners, Asian partners, we strive to be on the same page and enforcing those habits of cooperation whether it's in the architecture of the Quad, or AUKUS or other things that we do, the Five Eyes, the intelligence cooperation. You go through the list. That's very important to building up that joint capability, interoperability and understanding.

**DWG:** So Japan?

**Ambassador Sinodinos:** What about Japan?

**DWG:** What do you think the odds are. You're starting to exchange intelligence information now and you're --

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**Ambassador Sinodinos:** It's like all these things. You take things in step. That's what you have to do. You can't force feed these things.

**Moderator:** The next questioner is Gordon Lubold of the Wall Street Journal.

**DWG:** I know it's not all about the subs, as you said, but it is interesting. Can you help us be a little bit smarter about how, your country's saying you have a compressing [inaudible] period to get to where, which is I guess 15-20 years or whatever, to compress that and what other options might be available for you to create this capability sooner.

And dovetailing off that, to walk away from this whole deal, the Australians now, which has been hedging maybe in the region, do you see China is now more firmly aligned with the U.S. camp, which just kind of comes [inaudible], I realize. But what do you make of that assessment?

**Ambassador Sinodinos:** First of all on timing, the next 18 months are when we need to make those decisions around submarine design, construction, schedules and all the rest of it. We've already announced that we're going to extend the life of [type] of the Colin submarine to help fill any potential capability gap. And also some of the non-sub aspects of AUKUS I talked about can potentially also help fill this sort of gap as well.

And look, the other things we're doing, we're in the process of standing up a guided weapon enterprise. Guided weapons/explosive ordnance enterprise. Which will build up a sovereign capability in precision-guided munitions. We're looking at our long range missile options. So we're doing a whole series of things. We're not just putting all our eggs in the submarine basket.

On the question of China, the thing to say about this is that while everybody always ends up wanting to talk about China, on principle what we've done is country agnostic. For example, in terms of the sort of issues you've see which have caused contretemps between us and the Chinese, for example, it's not because we woke up one day and said they're a major trading partner, we're going to do our best to give them a bloody nose. It was because there was a whole series of things that happened, whether it was around the telecommunications system, potential interference in political processes or political parties and all



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the rest, where decisions were taken on principle about how we protect our national sovereignty.

So these decisions in that sense are country agnostic. And this buildup that we're talking about now is a buildup about how we promote that rules-based order in the region. It's a buildup based on those principles. And if it has the effect of convincing other countries in the region to cooperate and be part of the rules-based order, then it's had the right sort of impact. Along with the non-military things that we do to encourage other countries to be part of the rules-based order.

So this is not an ad hominem attack on one country. This is about --

**DWG:** The rules-based order is a euphemistic way of talking about one country in particular --

**Ambassador Sinodinos:** No. I think it's broader than that in the sense that when we say to countries in our region, rules-based order, what I think it connotes to them is having rules that apply to all countries, large or small. So it's more of a level playing field to the extent you can equalize these things. And it's also saying to countries in our region, this is about respecting your sovereignty. So when you make decisions its based on your national interests not based on the pressure you get from someone else.

**Moderator:** The next question is Mitsuya Tanaka of Kyoto News, Japan.

**DWG:** Thank you very much, Ambassador.

My question is on Taiwan. Recently Australian Defense Minister just said that the [inaudible] that the Australians would not support the United States if the United States was to take action on Taiwan. How far is Australia willing to go when these things happen?

My second questions, Biden administration is trying to build up sort of a guardrail that these conflicts would not go too far. So from Australian point of view, what do you think this guardrail should be?

And my last question would be, if such a situation were to

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happen, what role do you expect Japan to play in that situation?  
Thank you.

**Ambassador Sinodinos:** Thank you for the questions.

On Taiwan the whole basis of what we're doing, whether it's in the military space, the economic and trade space, diplomatic space, et cetera, is trying to work to create a region where war does not happen.

Look, everybody loves a sexy headline, right? So immediately people love to jump to the hypothetical which is what if this happens, what do you do the, and all the rest of it.

The real world that I have to live in is the one where we're actually trying to take actions to deter people from potentially doing things that bring about the very thing that you're talking about. That's what our actions are all about and that's the context in which you should see them.

So from our point of view the message we're sending to the Chinese, to the Taiwanese, is that their differences should be settled peacefully and without coercion and that we're not seeking to interfere with Beijing. We recognize we have a One China Policy and we acknowledge what China says in relation to Taiwan. But what we're saying is that those differences should be sorted out peacefully and without coercion.

The policy that the U.S. has pursued for many decades has been to try and create an equilibrium which allows that to happen.

On guardrails in relation to the relationship with China, what the administration I think are talking about there is that they've acknowledge that there are areas where there will be competition with China, particularly around technology and geostrategic influence of whatever. Areas of cooperation, pandemic, climate change, nuclear issues potentially. And then there are areas where there may be more confronting China around human rights and all the rest of it.

And where there's competition I think what the administration is saying is there are guardrails to prevent the competition from spilling over into something worse.

So there's a lot of work that is going on I think here to create

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methods of communication to avoid miscommunication and miscalculation between the two sides and I think that's very important. And the whole purpose of the Xi-Biden virtual call that we've just had was, I think, to reaffirm to the Chinese that the Americans see the importance of those guardrails. I think the President's disposition always is to eyeball people and talk to them and I think he feels if he does that he can get a good measure of understanding with the other party and I think that's a good thing to do. Jaw-jaw always better than war-war, Winston Churchill used to say.

On Japan, I think Japan like us are working to create the situation where there is equilibrium in the region. For us, Japan is a great partner. It was funny, at the end of the Howard government, I was in the Howard government 2007, we'd sometimes think well how much further can we take the relationship with Japan? And yet since then, including in part because of the leadership of Shinzo Abe, the ways in which Japan has taken a more active role to shape the region has been very important from Australia's perspective.

**Moderator:** Next question is Richard Abott of Defense Daily.

**DWG:** You've talked about AUKUS allowing Australia to avoid developing its own civilian nuclear industry. So can you talk, if the new submarine will use highly enriched uranium from the U.S., and does Australia intend to [inaudible] manufacturing to supply the nuclear fuel for the submarines?

**Ambassador Sinodinos:** The subs would be using HEU and we're just working out now the arrangements for what that will mean in practice. But the whole point is for us to avoid the need to have a civilian nuclear industry because apart from anything else, we thought if we went down that route it might conflate in the public's mind what we were doing and raise broader issues about the politics of nuclear power and I think the government was very keen to try and keep it as we were using before, the expression guardrails, so within certain guardrails. But that [inaudible] will also settle some of those questions in a clearer way.

**Moderator:** Our next question is Alex Marquardt of CNN.

**DWG:** Thank you.

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Also on China, you probably saw today there was a report that the U.S. planned on boycotting diplomatically the Beijing Olympics. I was wondering what the Biden administration has told you on that front. I know there's also been similar discussion in Australia. I was wondering what Australia plans to do, and what do you imagine at the end of the day what the global, a global diplomatic boycott may look like.

**Ambassador Sinodinos:** Thanks. We haven't had discussions with the Americans at my level here about any potential boycott and I haven't had an indication from back home about what we're going to do.

I have to say, I have picked up here in the Congress that there's been a very strong push about a boycott so I'm waiting to see what further measures may be taken. I've seen the speculation.

**DWG:** Do you think there will be one at the end of the day?

**Ambassador Sinodinos:** I'm not going to speculate on that. We're still a little while away from that. I'll leave it at that.

**Moderator:** Jeff Seldin of VOA.

**DWG:** Thank you, Ambassador.

Two questions. First, earlier today National Security Advisor Dick Holden said that President Biden and President Xi had talked about beginning arms control talks regarding the China nuclear stockpile. Has Australia been briefed at all on that? And even if not, where does Australia stand on the need and urgency for such talks given what we've been hearing about China's arsenal?

And secondly, not at all related to China, terrorism. We've from counterterrorism officials there's already been chatter from the Indo-Pacific region about foreign fighters want go to go on the move into Afghanistan now that the Taliban has taken over. At the same time there's ongoing concern about the links between right wing extremist groups and the links that they've been establishing, some of them originating from the propaganda and ideology emanating from the U.S. How much concern does Australia have about that? And what are you seeing on that front?

**Ambassador Sinodinos:** On the first one, of course we support arms control discussions and we look forward to seeing what

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progress can be made on that front.

These are always conflicts, but as we saw in the '70s and '80s, it is possible to conclude these agreements so I'm hoping that can happen. Of course in this particular context we're not a direct player in that.

On the terrorism, a couple of points. Clearly with the fall of Afghanistan and the return of the Taliban, countries including mine in the region, we'll be keeping an eye on whether there's an upsurge of pressures as a result of that, and whether there's increased activity. There's strong links within the region between various groups. Compared with 20 years ago we're probably more sophisticated in how we track and find out what's going on. But that's an area which obviously people have been keeping a close eye on post the fall of Afghanistan.

Right wing extremism, we are seeing an increase in right wing extremism being picked up and the traffic back in Australia as in the U.S. I'm not [inaudible] the links between the two groups, but because of the internet and whatever you can probably expect that they exchange information and stuff like that. But we keep a close eye on that. Our intelligence services are quite strong and quite robust and of course they cooperate quite closely with services overseas including American, the roles of American services.

**DWG:** Within Australia would it be possible to [inaudible] with the Australian government dealing with its own domestic extremism and whether or not you see traces of acceleration where people are just sort of [inaudible] the international order, want to rip it down. How much [inaudible]?

**Ambassador Sinodinos:** Are you talking about right wing extremism or Islamic --

**DWG:** Right wing extremism, but analysts have said the influence is both Jihadism and the right wing extremism.

**Ambassador Sinodinos:** I haven't noticed an upsurge compared with say a couple of years ago. It's there, it's bubbling away. I think the main thing that's come on the scene in recent times is more of a focus on right wing extremism.

**Moderator:** Next question is Dmitry Kirsanov of TASS.

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**DWG:** Hello again, Mr. Ambassador. Thank you so much for doing this.

You touched upon this a couple of times already, but - sorry for being thick. Just wanted to be sure I understood it correctly.

Is Australia completely renouncing any idea of developing an indigenous or native nuclear capacity, industry? Are you going to rely completely on the United States and/or Britain while getting the subs --

**Ambassador Sinodinos:** Yeah.

**DWG:** How realistic is that? Maintenance wise, preparing fuel and all those things.

**Ambassador Sinodinos:** The next 18 months, that process, Dmitry will work out what we need to do from our side. But the whole point of selecting this particular technology is that once these reactors are in there they stay in there and they give you this increased endurance, and therefore with a greater range and so on and so forth.

And as I mentioned earlier, we're very keen to avoid the idea that this was a precursor to developing a civilian nuclear industry for the reasons I mentioned earlier.

**DWG:** What about your discussions with the IAEA about this?

**Ambassador Sinodinos:** We've been in touch with the IAEA. The Prime Minister had a meeting with the Director General of the IAEA I think it was in New York as part of the, around the time of UNGA, and we are preparing for further discussions with them to assure them of our bonafides in terms of nuclear non-proliferation.

Of course we are going for nuclear propulsion. We're not acquiring nuclear weapons. But we want to make sure that any misinformation that may be disseminated in Vienna or elsewhere about this, that we can address it. And we're very keen because we've had very strong credentials around nuclear nonproliferation and we've had a long experience with this. So we're very keen to make sure people understand the assurances we're giving.

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**DWG:** And the decision on using HEU versus LEU is final, you're not going to go back on that.

**Ambassador Sinodinos:** Not as far as I'm aware, no.

**Moderator:** Moving to questions from the floor, please.

**DWG:** Joel Gehrke with the Washington Examiner. I've got two, maybe two and a half questions.

I'll start first with Taiwan. We talked a lot about AUKUS and [inaudible] aspect of that. That's obviously a long window process. We all heard Admiral Davidson earlier this year, he thinks there can be a Taiwan contingency, a PLA invasion of Taiwan within the next six years.

What do you think needs to happen in terms of U.S. or Australian efforts to enhance capability that would deter conflict within the Davidson window?

**Ambassador Sinodinos:** I think the work we're already doing. I mean the announcement of AUKUS, in effect, is part of this process. Now that doesn't give you capabilities tomorrow. But it is part of demonstrating along with everything else we're doing in the region that we're working with like-minded partners to encourage other countries to sort of adapt to the rules-based order rather than the reverse. And I think you'll see from the way the U.S. is putting forces into the region, we talked before about force posture initiatives and all the rest of it. There's more to come on that front clearly.

So from my perspective, I think the message is going out very strongly that countries are prepared to stand up for the rules-based order, work together, and I think that message is getting through.

I think people in the region see that we are serious about what we're doing. The fact that we're raising, as I said before, our spending to 2.5 percent of GDP and the new capabilities we're talking about. People see there's an intent there. An intent to be shaping our environment and helping to deter potentially aggressive action.

**DWG:** But we shouldn't expect to see some new developments, either capability or positioning from Australia in the next few

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years?

**Ambassador Sinodinos:** There's capabilities that are coming on the line all the time. But there's no magic bullet. There's no secret weapon. But there's a whole panoply of things we're doing together and I said before, the U.S., one of its great advantages, its unique advantage is its alliances and partnerships. And I think the cumulative effect of that is going to be very important, and I think you're going to see the Europeans playing a bigger role in the Indo-Pacific as we go forward and putting more heft into that.

**DWG:** On the sort of non-submarine aspects of AUKUS, I think I heard you mention artificial intelligence and quantum. I'm going to lean on some comments made by General Lanata year or so ago, which isn't my area --

**Ambassador Sinodinos:** General?

**DWG:** General Lanata. He was the NATO Supreme Allied Commander for Transformation. Back just before the pandemic he was talking about transformation and mentioned that data is the fuel of the future. And new algorithms in the artificial intelligence area are nothing if we don't have the right data, if we don't have the ability to share this data, and to collect it massively. And he was talking about how China sort of by default has an advantage in this area given how much data is available to them.

I wondered on those issues that you mentioned, is there, are AUKUS countries developing a plan to collect and share data massively? To use a lot of his language on the scale that he described. Is there any likelihood that the data sharing community could encompass fly-by's? And if not, how do you actually realize the gains of that technology?

**Ambassador Sinodinos:** I think the first thing is that by continuing to develop these technologies, particularly AI and machine learning, quantum computing in particular, that potentially gives you a lot more competing power, computational power.

I think the way we are seeking to cooperate, break down barriers to things like no [foreign] here in the U.S. system, you know, where they talk about no foreign eyes on things. We're trying to reduce that to the maximum extent possible. And to the extent



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that we do this among allies and partners, that increases the data set that is potentially available and allows you to do more with that data. But the most important thing is being able to use that data in a common way when you're all in the one domain and you're working together in a particular theater or a particular domain. So there's a lot of work going on into what does that mean in practice and what do we need to do not just in terms of how you generate the data but how you share the data.

The Five Eyes that you mentioned is a great example of where trust is very high, and that leads to high levels of data sharing. I think that's important.

Just to add one point on this, in the context of critical and emerging technologies, in the Quad for example, we have a working group on this. What we're trying to do is set standards for how some of these technologies are used and how they're deployed. Partly that's for ethical reasons. Partly that's to stop them being deployed in ways which leads to things like digital authoritarianism where a country can just Hoover up all this information for their own purposes and infringe sovereignty of other countries.

So you have to look at this problem through a number of lenses.

**DWG:** [[Inaudible]. I have two military questions.

Firstly, you talked about the interoperability, the joint capability in AUKUS. With the missiles specifically that you're going to acquire for that, the guided missile enterprise you talked about as part of the [inaudible].

What is Australia going to be able to do independent of the U.S. and Britain? What capability will you be able to have [inaudible]?

**Ambassador Sinodinos:** Great question because when we talk about sovereign capabilities people say that means you're just trying to replicate what the others have got. That's true to a point, but more importantly what we're trying to do with sovereign capabilities is for example in the context of a conflict, we have access on shore to, for example, precision guided munitions that might otherwise be in short supply. And by having that capability we're actually stronger allies and partners because we can augment what allies and partners have got when we're facing a

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common issue in the region.

So developing the guided weapons and explosive ordnance enterprise is part of having a strategic capability which then complements what we're doing with allies and partners.

And when we talk about having sovereign capability in submarines, because the intention is not to grab submarines from the U.S. or the UK, it's to augment the total number of submarines in the region. Right? So the U.S. and UK can keep producing and we have a capability to produce, a sovereign capability. But that augments what we as allies and partners can do together.

**DWG:** And you mentioned European countries could be more active, have a greater presence in the region. There's already some of that - UK, Germany and France have been shifting to the region. How is that played out as Australia [inaudible] situation? Would you like to see more order, more structure to how countries [inaudible] to operate?

**Ambassador Sinodinos:** There is quite a good deal of coordination going on already. And from our point of view having the Europeans operate in the region is a great plus. We don't somehow feel that the Indo-Pacific is our lake and everybody else is going to keep out of it. We actually like the fact that they've taken interest because they realize what happens in the Indo-Pacific has a big impact on their interests.

The world is now so interconnected, so there is a lot of coordination that goes on, but it is now going to a new level.

And what you're seeing, you mentioned the UK. Yes, they're doing more in the region and they're already in a defense sense in the region. We have the [Fast Power Defense] arrangements - Australia, New Zealand, the UK, Malaysia, Singapore. But on top of that the UK is now mounting a diplomatic offensive in the region so they're a dialogue partner with ASEAN. They've applied to join the TPP. They're seeking to do new free trade agreements and all the rest of it. So they're upping the way they participate in the region and we encourage that. That's why for them AUKUS was a natural fit in terms of their capacity to contribute in the region and the others, the French have a major interest in the region both in the Pacific and in the Indian Ocean and we cooperate with them. Germans, doing more in the region, sending ships into the region. The Dutch historically

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have had associations with the region. And they're now evolving an Indo-Pacific strategy. So there's quite a bit happening.

**DWG:** Thanks, Ambassador.

I wanted to ask about military intelligence. Kimberly Underwood from Signal Magazine. I wanted to ask you about the importance of the Five Eyes alliance.

What is Australia looking for from the alliance these days, especially given your role in the Indo-Pacific region? And I guess how can the Five Eyes nations improve integration to increase that information sharing for military intelligence?

**Ambassador Sinodinos:** The Five Eyes sort of evolved naturally out of basically World War II. Clearly there were historical reasons that they could come together but also legally because of the similarity in our legal systems. That also makes it easier in some ways to operate together, and it's evolved over time into much more sophisticated sharing of intelligence and knowledge. If you go to some facilities here in the U.S. where they have a Five Eyes adjunct or whatever, the people in that are treated very much part of the establishment. What we're seeking to do is to maximize that free flow of information and intelligence on the basis of trust and on the basis of having very similar objectives. And I think it's worked very well. Colin alluded before to other countries might be interested. Part of the reason I think they're interested is they see the force multiplier effect of working together, but at this stage the Five Eyes is the Five Eyes. But I think you'll see them going to further stages of integration, information sharing, and exchange over time.

**DWG:** Is there anything different in Australia's demand as far as its role in the Five Eyes given the importance of the region?

**Ambassador Sinodinos:** I think maybe Australia's role has increased in prominence because of what's happening in the region. And we bring a lot to the table, but we benefit enormously.

When people talk about Australia's role in the world and should you do more in an independent way, well I mean we're an independent country and make our sovereign decisions based on national interests. But it's overwhelmingly in our national

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interest to be part of organizations like the Five Eyes. Overwhelmingly. And what you lose if you decide for whatever reason we're going to be more non-aligned, we're going to have an independent foreign policy, you will never make up.

Look, you need allies and partners and these are natural organic developments which over time have built on each other and created sophisticated levels of exchange of information and the rest.

**DWG:** Thank you, Ambassador, [Inaudible] from Foreign Policy Magazine.

I'm wondering what lessons you learned [inaudible] China on [inaudible] crisis management and [inaudible] and whether you're sharing those lessons with allies and partners? Particularly I'd be interested about [inaudible].

**Ambassador Sinodinos:** Our thoughts on?

**DWG:** On Lithuania. They're one of the more recent [inaudible]. Again, I'd start with Beijing.

A second point, I think I heard it earlier mentioned your Prime Minister's going to make an announcement about [inaudible].

**Ambassador Sinodinos:** Critical technologies.

**DWG:** Yeah. And can you give a preview of what's going to be in that?

**Ambassador Sinodinos:** On the issue of economic coercion, it's been quite interesting. It's sort of the way it evolved from product to product or whatever, I think at first people were not quite sure what was happening here, but then the cumulative effect of this is going to say well clearly we're not in good order at the moment with certain people. But what was interesting was it didn't have the effect on the Australian economy that maybe some had anticipated because traders and others took a hit, particularly in terms of price, but they tended to diversify their markets as a result. And also it happened during a period where iron oil prices were quite strong so the overall trade relationship actually didn't deteriorate that much. So the economic squeeze was not felt as much as maybe some people anticipated it would.

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But the other thing that happened is that the Australian people, their reaction seemed to be not oh, this is a crisis, you've got to do whatever to fix this up. I think they understood that it was difficult to fix, particularly when I think the Chinese put on the table [inaudible] grievances they had, and the Prime Minister distributed laminated copies of these, or copies of these, maybe they were paper copies, I forget, at the G7 meeting to show what the demands were. Things like you just stop your press from criticizing China. And of course politicians would love to muzzle the press, to stop the criticizing them. They're not going to have any luck muzzling the press on anything. But it went to I think this mismatch in expectations between the two sides. As a Western democracy we can't do things like that and we've got to protect our sovereignty. I think the public get that from some of the things that have happened.

So the economic coercion has not had the effect some people expected. But what it has done is send a signal to other countries about how they could be in the sights if they're not careful.

And interestingly, rather than make countries more risk averse, I think it's made countries sort of realize that actually there's a line to be drawn here.

You mentioned the case of Lithuania. Well they've made decisions as they see them in their national interests and if they're to be punished for that I think their reaction is well, so be it. I think in Europe what's happened with the freezing of that trade and investment agreement that was being put together because certain euro MPs had been disciplined for criticizing human rights violations. I think that made the Europeans get a better feel for what is going on.

So I'm hoping that the lesson that comes out of this is that all of us, whether it's Australia, China, whoever, we can all just sit at the table, work through differences. We're happy to speak, have dialogue with the Chinese without preconditions but we've got to understand and respect where each is coming from. There's got to be a basis for that.

On critical technologies, what's happening there is that we've identified a number of areas where we think these technologies are critical to national security going forward, and that's one of the issues today, this confluence between economics and

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national security. It's more complex than it was a few years ago. In the Howard government for example, we had our economic and trade relationship with China, we had the defense and security relationship with the U.S., we had a human rights dialogue over here where we pursued human rights issues with China, but they were all separate. Today they're all cross-cutting, particularly economics and national security. And so we've identified these technologies where we believe we have to have capabilities going forward which are going to underpin our economy. And the ones I mentioned before like AI, machine learning, quantum computing, cyber is part of that, and there are quite a few others. But we're putting something like \$17 million into a quantum hub because we see a particular opportunity to develop quantum technologies. Not just for computational reasons. We can massively increase computational power, but also quantum [census] can be very important, particularly in relation to monitoring or helping with critical infrastructure protection and all the rest of it. So watch that announcement overnight.

**DWG:** Can I ask a follow-up on that quickly?

The 60 techs are they all part of the AUKUS?

**Ambassador Sinodinos:** No. The ones under AUKUS initially were the AI, quantum, cyber, undersea warfare capabilities. These others, there will be a process by the end of the year where the AUKUS partners also look at where these technologies, there might be synergies of working together. And look, to be clear, AUKUS is not meant to be an umbrella for everything. There are going to be technologies where we do things bilaterally with either the UK, the U.S. or other partners. And there are things we might do trilaterally in the context of the U.S. and the UK. It just depends what capability each can bring to the table and the synergies from doing that.

And what's important about Britain in this regard is that as a scientific and technical power it still punches above its weight so it brings a lot to the table in its own right.

**Moderator:** Mr. Ambassador, we're at the five minute mark and I wanted to give you a chance to close with any comments you might have. But before I do, I do want to thank you so much sincerely for joining us here at the Defense Writers Group to share your thoughts on this very timely and important topic.

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**Ambassador Sinodinos:** Thanks. If there's one last question I'm happy to take that before I sum up.

**DWG:** You were talking about capability development. A year ago there was a joint capabilities discussion about paper hypersonics. I wonder if you could talk a little bit about where that has gone.

You mentioned enhance air support. By the way, Abraham Mahshie from Air Force Magazine.

Could you talk about some of the particular areas where you might see more development in air cooperation with the United States and that includes space as well?

**Ambassador Sinodinos:** On hypersonics, we have been doing further work with the U.S. about the potential of these developments and how they can be integrated into what we're doing already.

In relation to enhanced air cooperation, we do a lot in northern Australia, for example, in that regard. We'll see what more we can do.

The other elements, and it's slightly separate to that but related, is the Joint Strike Fighter, for example, is an example of a technology where we got in on the ground floor with the U.S. to help develop and that's a philosophy we're bringing to some of the other capabilities is how do we work together from an early stage to bring a technology to a certain point because that's the best way to understand the technology and how it can be used, and it's also the best way to maximize your opportunity to then work out how you can also benefit not just militarily but industrially from that technology by understanding what supply chains are needed and what capabilities are needed to service that technology. That's a slightly separate point, but it just comes into this, when we talk about enhanced air cooperation, it's also about that technological aspect.

On space, we're doing more together around space situational awareness. We have strong relationships with some of your buddies here in that regard. We are developing a civilian space industry in Australia, particularly space launch capability. Some of that in south Australia, some of that in other parts of the country. But again, space is an area where we think we can bring strength to the table and when I was Minister for Industry,

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I initiated a review to establish an Australian Space Agency and I was able to get that created. That's allowed us to be able to then have international engagement around how we cooperate in space both for civilian and military purposes, and we're just in the process now of negotiating technology a technology safeguard agreement to help with the exchange of information technology around space launch and the like with the U.S. as part of the broader work we're doing with the U.S., with NASA, around the manned trip to Mars and other related initiatives.

**Moderator:** The final word is yours, sir.

**Ambassador Sinodinos:** Thanks, Thom and thanks everybody for the opportunity. I think in summing up I would say that having been in and around politics for 40 years, four decades or whatever, what I've noticed particularly in the last decade is the way that Australia has really ramped up its defense, its foreign policy, international security activity and credentials. The way we're now working more closely with our own region both in the Pacific through our Pacific step-up initiatives and also in Southeast Asia. Very important for us.

At the last Australia ASEAN Summit we concluded a comprehensive, strategic partnership to take a number of steps to further deepen our cooperation particularly around economic and social priorities of the ASEAN countries. So there's more to what we do than simply a military buildup. There's a lot of intense diplomatic activity, particularly with the ASEAN countries. The relationship with Japan has really I think gone up several notches over recent years. Strong friendship between Abe and Tony Abbott, Malcolm Turnbull in particular. And in recent times Scott Morrison had a great relationship with Prime Minister Suga, and now we're of course going to look forward to the new Prime Minister.

So we're really developing our relationships, doing a lot more. Our diplomacy has heft. Our military spending is credible. And we're also doing more to help develop the region and understand its priorities. So for us, AUKUS has to be seen as part of all of that architecture including the Quad, now elevated to the leaders level. The ASEAN relationships will [inaudible] any other relationships in the region. Korea is a very strong relationship for us as well.

So for us, the Indo-Pacific remains our priority. And my final



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point is India, particularly in the context of the Quad, is really stepping up and there's a lot of potential for cooperation with India, particularly around economic and technological issues and we see a great [push] in India for doing more and we are seeking to work with them on that.

**Moderator:** Thank you.

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