The Hon. Richard Marles Deputy Prime Minister & Defense Minister of Australia

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Moderator: Greetings and welcome everyone to this Defense Writers Group conversation with Australia's Deputy Prime Minister and Defense Minister Richard Marles. You must be a very busy man with those two jobs. I understand that happy birthday wishes are in order for yesterday, sir.

Minister Marles: I'm in denial, but yes.

Moderator: Many, many happy returns.

Minister Marles: Thank you.

Moderator: I want to thank the embassy of Australia for hosting this in this absolutely magnificent spot. The Ambassador doesn't know it yet, but I think all of our future events are going to be here. [Laughter].

Our ground rules are as always. This is on the record, but there's no rebroadcast of audio or video. I'll ask the first question, and then several of you have asked me in advance to get on the list. We'll go through those and then around the table.

Sir, thanks again for being with us today.

With a new government in Australia, and this being the first senior leader visit to Washington by the new government, can you describe for us your country's foreign policy and security interests today and how those are lashing up with the U.S. government after your conversations with senior leaders.

Minister Marles: It's a really good question. I guess the starting point I would say is, like I say, I've had a really good few days. The conversations have been excellent. We're very grateful for the way in which we've been received and as an incoming government and this being the first visit at the ministerial level to the United States, our starting point was wanting to affirm the importance of the alliance in Australia's world view; the importance of the alliance in our national

security. And of course none of that is in doubt, but it's an important thing to say from the point of view of a new government coming to meet with the U.S.

I think what has really struck me in the meetings that we've had over the course of the last few days -- and that's with Defense Secretary Austin, with the National Security Advisor, with senior members of the Senate Armed Services Committee -- is a real sense of shared mission in this moment, between Australia and the United States.

There is a sense at the moment that the global rules based order that has been built by the United States, by Australia, by many other countries is under pressure now in as significant a way as we have seen since the end of the 2nd World War. Obviously what's going on in Eastern Europe with Russia's invasion of Ukraine is an example of that. And in this moment the need to have a sense of shared mission to be projecting forward with a sense of team is really important. That's part of what we've been seeking to express to the U.S. government, but we've really felt that reciprocated in all the meetings we've had.

At a more detailed level, we've been specifically talking about how we can have our defense industrial base operate in a more seamless way, and again, we've been met with really good responses in respect to that. Also the AUKUS process that we are going through at the moment, we wanted to touch base on that and make sure that it's all on track, and it is, with a view to us making announcements in the first quarter of next year about exactly what platform we will run with and how we will navigate the journey, if you like, from 2023 as it will be next year through to whenever we're able to get the first, the nuclear powered submarines in the water.

So that really has been the agenda over the last few days and as I said, it's been a really positive set of meetings.

Moderator: Thank you, sir.

First question, Jack Detsch of Foreign Policy.

DWG: Thank you, sir.

I wanted to start with China's move in the Pacific Islands Forum going on this week. They signed a security deal with the

Solomon Islands specifically. I'm wondering if you think that's the last play that you expect from the Chinese, whether they'll make more of these deals, and kind of what the upshot is for both American security and Australian security.

Minister Marles: China's had a presence in the Pacific for a long time and that's fine. We understand that. We understand that the countries of the Pacific have a right to make their own choices about the relationships that they enter into. That said, the security agreement that was signed between China and Solomon Islands really was a step further down the path of strategic competition. Both Solomon Islands and China have made clear that we will not be seeing a Chinese military base established in Solomon Islands. We obviously welcome this assurance from both China and Solomon Islands. We would also note that if it were to occur that very much changes the national security framework for Australia.

Going forward, the countries of the Pacific are going to seek to make their own relationships with a whole range of countries including China, but I think what's important from the perspective of Australia and working with the United States is earning the right to be the natural partner of choice for the countries of the Pacific. I genuinely believe that if we do the work, if we put in the effort, if we make the focus of our attention the development of the Pacific and meeting the real challenges that those countries face, we will be the natural partner of choice, but we don't get that by right. We've got to actually earn it and we've got to go and do the work and that's the focus of our attention going forward. Which is why our Foreign Minister has been very active in engaging in the Pacific, really from the very first week of the new government being sworn into office in Australia.

In saying all that, I also really want to welcome the announcements that were made by the American government at the Pacific Island Forum opening a couple of embassies and a really significant financial commitment to the region. That will be really well received by the Pacific Island countries, but I think it demonstrates not only an interest on the part of the United States but an interest backed up by a desire to have real policies and measures which will speak to a future engagement and we think that's fantastic.

DWG: Do you take China at their word when they say this isn't

going to be militarized? Could this be a listening post, an intelligence post of some form and not military specific?

Minister Marles: We do welcome the assurance that they've given but our focus is going to be on making sure that we are making our relationships and working on our relationships with the countries of the Pacific so that they are in the best shape they can possibly be, and it means we need to be there. It means we need to be thinking about how we can assist the Pacific. It's a part of the world that I have some experience in. I was responsible for a number of years for Australia's relationship with the Pacific, so I've been to all of the countries of the Pacific on a number of occasions.

What's clear to me is that there is I think a real desire to want to work with Australia, but it requires us to be present and to have a focus on the development of the Pacific. Dealing with the issues that actually matter to these countries.

And can I say, first and foremost amongst them is the issue of climate change which is felt around the world but for the countries of the Pacific, for a low-lying atoll nation like Kiribati or Tuvalu or Marshall Islands, this is felt viscerally in a way which is hard to understand unless you've actually been there and seen what kind of, in an almost cultural sense, where the oceans have been a source of comfort, a source of food, a basis of culture, is now being seen as a source of anxiety and threat. It is a huge issue for these countries and we really want to work very closely with the United States in terms of action on climate change obviously but also in helping the countries of the Pacific to tell their story as countries on the front line of climate change.

Our focus is on our engagement with the Pacific on those terms and in doing that I am confident that we will be the natural partner of choice for the countries of the Pacific.

Moderator: Thank you, sir.

Next is Kimberly Underwood of Signal Magazine.

DWG: Hi, sir. Thanks for your time today.

I wanted to ask a little bit more about AUKUS. And short of a nuclear sub capability how are you going to leverage the

trilateral agreement to bring in other emerging technologies that your nation might need?

Minister Marles: Thank you for that question. The bulk of the work is around developing Australia's capability to have a nuclear powered submarine, but you're right in saying that's not the whole story. AUKUS is about three countries sharing our most significant technologies. It's in a sense building a technology alliance so that we can build capability. That does go to a whole lot of emerging technologies in areas like quantum and AI and hypersonics, counter-hypersonics.

I think there is a huge scope for us to have those working in these areas collaborating more closely, and AUKUS is a framework by which that can occur, but a big theme of the conversations this week has been to really see how we can translate that into seamless industrial bases between Australia and the United States, I think between the United States and the United Kingdom. And obviously we'll have our own conversations with the UK ourselves. But using AUKUS as a basis to try and build that technology coalition and ecosystem where our industrial bases are seamless.

At a sort of high policy level there's a real acceptance here about wanting to do that and a sense of shared mission that that's what team looks like if we get to that point. And getting to that point would reflect, I think, where we're at with the interoperability, almost the interchangeability that we see within our militaries and our defense forces.

There is a lot of work to be done at a more micro level to turn that policy into reality. Again, we're mindful, and America is mindful of that as well, but that's the agenda that we're going to be working on.

Moderator: Eric Schmitt of the New York Times?

DWG: I was wondering if you could give us your assessment of what lessons you believe China and Taiwan have each take away from the Ukraine war so far. What evidence you would point to to see [inaudible] manifesting itself. Do you think we're closer or farther away from conflict in the South China Sea? Or [inaudible]?

Minister Marles: I'm a politician with everything that implies,

so I'm probably not going to answer your question directly. Let me answer it in this way.

Ukraine is a long way from Australia and yet we have contributed now the better part of 400 million Australian dollars in assistance to Ukraine. The reason we've done that, I think that makes us if not the largest non-NATO contributor certainly one of the largest non-NATO contributors to the Ukrainians. The reason we've done that is because we see that that conflict does raise issues of principle which not only apply in Ukraine but apply everywhere and in the Indo-Pacific. Principles which engage our national interest. That's why we're there. So we see this as something which has significance on a global scale and certainly in our region.

Really what those principles are is whether the global rules based order, which began at Bretton Woods, which has been built by the U.S. and Australia but many other countries, whether that continues to be where we're at. And those rules were put in place so that countries could after the calamity of two world wars, resolve issues by reference to a system of law and a system of rules rather than by reference to power and might.

What we've seen with the invasion by Russia in Ukraine is absolutely an attempt by Russia to operate on the basis of power and might and that can't be allowed to stand. It can't be allowed to stand in Eastern Europe. It actually can't be allowed to stand anywhere. Certainly from the perspective of our region it is not a principle that we want to see apply in the Indo-Pacific.

I think the degree of global solidarity from countries a long way from Ukraine like Australia has been a very important statement and has been I think remarkable. And not just on terms of the support provided to Ukraine, but the sanctions that have been put in place in respect of Russia.

The other point to observe, which we certainly observe, I imagine others would as well, is the extraordinary and to be honest inspiring efforts of the Ukrainian people. It's amazing. Like it genuinely is amazing. And I think it says people fight for their homes. That's what they've done. You could not fail but to take note of that.

So I think there are some lessons for everyone that come from

this conflict and for us the statement of principle we want to make is the importance of a global rules based order going forward, the importance of it in Eastern Europe, the importance of it in the Indo-Pacific and that very much is where our national interest lies because in these days and times in which we live, the global rules based order there has been the basis of stability and prosperity and the remarkable economic growth of that region, from which we have obviously been a beneficiary.

DWG: -- Ukrainians global response, [inaudible] had in mind vis-à-vis Taiwan, or is it only involved in [inaudible], accelerating kind of operations where the world can respond, where Taiwan [inaudible] build up their defenses?

Minister Marles: I don't think that's for me to comment on, on how China reacts to this. But I think as we look at this, the lessons for the world are self-evident. There is a global solidarity around the importance of the rules based order which countries all around the globe are willing to support no matter where that interest is enlivened or where the challenges to the global rules based order occurs. And when people are put in a position when their home is threatened, they stand and they fight, and that's what we've seen Ukraine do and it has been inspiring.

Moderator: Jim Garamone, DoD News?

DWG: Many Americans are really confused about what the Quad is. First off, I wonder if any Australians area confused about what the Quad is. But what does the government of Australia see in the Quad? And where do you see that going at some point?

Minister Marles: The Quad is a group of four like-minded countries engaged in the Indo-Pacific who support a global rules based order and who seek to promote the prosperity that the global rules based order underpins for democracies. That's what the Quad is. Its agenda is around how we can work together to encourage prosperity in the region.

So initiatives around, for example a greater, more effective vaccine rollout within the region, really important. In terms of health what that means and ultimately in terms of prosperity. Initiatives around maritime domain awareness is really important in terms of deterring illegal fishing. And when you think about the countries in the Pacific, for example, their exclusive

economic zones are their most important economic asset. Again, that's four countries working together under the banner of the global rules based order to try and improve prosperity within the region. That's what the Quad is.

We think it's a really important development. We're very committed to it. We feel like the other countries who are a part of it share that commitment. In the last seven weeks since we've come to power, and by virtue of this visit I've now done a bilateral visit to every one of the other members of the Quad --Japan, India and the United States. Of course literally on the very first day we were sworn in we had Prime Minister Albanese attend the meeting of the Quad. That's very much a demonstration of our commitment to that architecture, how important we see it is, and the potential we regard for it in the future.

DWG: Sir, what do you say to -- China's obviously upset about the Quad, and in fact have called it like the NATO for the Indo-Pacific.

Minister Marles: It's not that.

DWG: -- an alliance.

Minister Marles: It's not an alliance and it's not a security alliance. So it is not that.

At the end of the day this is four like-minded countries working together for the betterment of the region. We'll do that. It's not for any other country to say who we should work with in order to achieve that betterment. And the Quad is not aimed in a negative sense at anyone. It's about trying to promote prosperity in the region. Four like minded countries working together to do that. We think it has huge potential going forward to do more, and that's why we're very focused on it.

DWG: Do you see it growing?

Minister Marles: Growing in membership or growing in agenda?

DWG: Growing in membership.

Minister Marles: I don't know. I think right now we're focused on -- it's a relatively new construct. I think right now we're

focused on growing the agenda over the construct, if I can put it that way. So we certainly want to grow what it does, how the four countries work together, the agendas that we work on. We definitely want to see that grow. And that's really our focus.

Moderator: John Tirpak, Air Force Magazine?

DWG: Thank you for making the time for us.

I wonder if you can talk about some of the hypersonics programs that the United States and Australia are working on together. Whether we've agreed to expand those at all, and whether you feel like both sides are getting a balanced return on that investment.

Minister Marles: I'm probably limited in what I can say in terms of the detail of that. Suffice it to say we see the hypersonics and counter-hypersonics as a critical technology going forward. It's one of those that we've identified in the context of AUKUS where we want to work with the U.S. and the UK in terms of sharing the technology that we've got so far, but collaborating more in the future around developing the technologies. So we certainly see this area as a really significant priority and one where it is absolutely essential that we are developing those capabilities for our respective defense forces. That's why we've made it a focus of the work of AUKUS.

DWG: Maybe you can do some rumor control. A lot of people say based on your geography you need B-21 bombers when the Air Force finally starts producing them. Did you have any discussions about that?

Minister Marles: No.

Moderator: Next is Lee Hudson of Politico.

DWG: The Australian [inaudible] direct national technology and industrial base was hampered by lots of changes to export controls. And then [inaudible] AUKUS to [inaudible] changes to export controls.

Minister Marles: That's a really good question. SSI has been a lot of the substance of the meetings that we've been having over the last few days. We need to see the breaking down of barriers

across all three countries in terms of developing a more seamless industrial base across the three countries. And it would be fair to say that the achievement of the aspirations of AUKUS are going to be tied up significantly with our success or not in being able to break down those barriers. And those barriers, some of them exist in the United States system but it's not exclusive to the U.S. We have them too, as does the UK. So we are really focused on trying to look at how we can break them down across the three countries to develop that seamless industrial base.

The point I really want to make is that in the conversations that we've had during the course of this week, that sentiment is completely shared at the highest levels of the administration, in the congress. I've been really heartened, actually, by the degree to which there is this desire, really I think a shared mission, to build team, and building team means building that seamless industrial base.

This is kind of an important point as well. We're very mindful, and when I say we, we collectively -- America and Australia certainly in the conversations this week -- are really mindful that having that objective at the highest policy level is critically important, a pre-condition, but it's not the end of the story. You've really got to drive that down through government systems and that is a really significant agenda, and we don't underestimate the task of it. But I think there is a real will to do that.

So in a way the answer to the question is unless we break down those barriers we're not going to achieve that aspiration, but actually finish this week with a real sense of optimism and confidence that we're going to do that.

Moderator: Gillian Rich, Jane's?

DWG: Thanks for doing this.

I have a few questions following up on the hypersonic program. You called that a critical technology. Can you give any kind of concrete examples of collaboration with the U.S. on hypersonic missiles or [inaudible] warfare? Do you have any details on the specific programs that you'd like or things to kind of get the ball rolling with the U.S. in starting this collaboration?

Minister Marles: I won't go into detail, is the short answer to that question. But all of those are areas of collaboration that are a focus of what we're seeking to do with AUKUS. So we've talked about hypersonics, but electronic warfare as well critically important. We really do want to be building that technology alliance which allows us to collaborate as extensively as possible to improve those capabilities for both of our defense force.

DWG: When might we start seeing the collaboration really [inaudible]?

Minister Marles: Again, timelines are always a danger for politicians to put out there, so I won't do that.

But to give you kind of a sense of the shape of this, we are focused right now in relation to the submarines and it would be fair to say that is the bulk of the work which is being done under the banner of AUKUS. It is not the entirety of the workload. It's the bulk.

In respect to submarines, we are wanting to make announcements in the first quarter of next year and that is very much our focus. In saying that, we are really aware that the other technological collaboration, those other areas that you've mentioned need to remain a focus as well. And so whenever we're talking about submarines almost as a matter of discipline we always say, and we will be doing this as well. I think that does speak to the fact that we see that there is a similar urgency, let me put it that way, in respect to moving on those other areas.

DWG: Can you give us any more details [inaudible] select which submarine you're going to go with in the first quarter of 2023, but do you have any details on the process of selecting it or what [inaudible] or any other details that [inaudible]?

Minister Marles: Sure. We are looking at a range of specific options within I guess the family of attack submarines, nuclear powered attack submarines in the UK and in the U.S. We are busily whittling that down to a point of making decisions through the course of this year. We do have a sense of confidence that we will be in a position to announce the specific submarine that we will be pursuing in the first quarter. And really, in saying all of that, that is essentially

reiterating what was announced by the former Australian government when AUKUS was announced.

In addition to that what I've sought is to really look at every way in which we can speed the delivery or the process of having our first nuclear submarine in the water, looking at every possible way we can speed that up. And so it will not just be about announcing which submarine. We will be talking about when that submarine will be in the water, and to the extent that there is any capability gap that arises as a result of that timeframe, what is the solution then to plugging that gap? Again, that's something that I've asked be included in the process that we go through right now in trying to determine or in determining which submarine we go with. So it is which submarine, by what date, and what capability gap might that give rise to and if or how we're going to deal with that.

All of that is what we are seeking to announce in the first quarter of next year. In doing so, we actually are able to give a description of how we get from the current submarine capability that we have on this day or perhaps in the first quarter of 2023, and how we get from that moment through to the first of the next gen, or the first of the nuclear powered submarines being in the water.

This is a really important issue for Australia. It's the most significant platform that we have which builds our strategic space, and I mean that in terms of the whole, the strategic space in which we operate in the world. Diplomatically in terms of trade. This is a fundamentally important national mission. And we have been anxious that the way in which this has been handled over the last decade has -- there is the prospect of a capability gap opening. We need to have answers for the Australian people and we need to provide the Australian people with those answers in the first quarter of next year, which is why this process is so profoundly important for us.

Moderator: Thank you, sir.

Andrew Eversden, Breaking Defense.

DWG: Thank you.

On the topic of that gap between [inaudible], do you have a [window] about how you are planning to get after filling that

gap?

Minister Marles: I have a very open mind about that is the first point to make, and the new government has an open mind. What we know is that it is critically important that we see through this decade and the 2030s a growing submarine capability for Australia. We are determined to achieve that.

I think there are a whole lot of issues that we need to be looking at in respect of that, so without going into the specifics, looking at ways in which we can be making sure that we're not only thinking about the hardware, the submarine, but also the human dimension of this, making sure that we have mechanisms in place which grow a submariner base to operate the submarines going forward. That's a really important consideration in terms of how we make sure that we're growing our capability.

I think there are other measures as well that we can -- I should say extending the life of the Collins class submarines will inevitably be a part of the answer to this. That's the one thing we really do know, so there is already a commitment to extend the life of Collins, so that will be a really important part of the program. But I don't think that's the totality of the answer.

There are a range of other options that we're considering about how we can do this, but this is a really important piece of the puzzle and we are very intent on making sure that is part of how we announce this in the first quarter of next year.

DWG: You mentioned trying to speed up delivery of whatever [submarine] you choose. What are some of the potential barriers to plan around overcoming?

Minister Marles: Perhaps the way to answer that is we again have a very open mind about looking at what other measures we can to get that first date as early as possible. We're very focused on the capability. It is difficult to go into specifics about that, but the kind of sequence in which we are thinking this through is, the first question is what is the submarine that we're going to run with? Because the choice of the submarine can have an impact on the date. And then I think it is about looking at a whole range of options about how we can bring that date forward.

Moderator: Jen DiMascio, Aviation Week.

DWG: Thanks for doing this. It's great to have you here.

We're talking a lot about the submarine and that's sort of the first of these industrial, technological agreements to go through, but looking ahead to others that might follow, are they sort of the same sticking points that you might have? Are there lessons to be learned?

How do you take a case like the E-7 Wedgetail purchased by Australia which is something now the U.S. Air Force may adapt. If we're going to make some changes here in the U.S., do you see those flowing back to Australia in the future?

Minister Marles: Submarines is obviously, as we've been describing, is the first. It's big. I think as we work through how we collaborate there, I think there will be a whole lot of lessons that we draw from that about how we collaborate in other areas.

But I really do come back to what I said at the start, the agenda here is to try and build the seamless industrial base between our two countries. As I spoke on Monday, we want to move from a place of interoperability to almost interchangeability. The engagement and the integration must be deep and it must be while we are also giving a sense of confidence that the Australian government is willing to invest in building and developing our own industrial base not with a view to it competing with an American industrial base but with a view of complementing it. And to make that real, there really does need to be a high level of dialogue and coordination so that we are actually building an industrial base in Australia which grows the collective pie and works with the collective pie.

So that when you're talking about the Wedgetail, for example, there will be technologies that we hope we'll be able to develop and build in Australia that can feed into the American military as well so it is not just a case of one-way traffic.

DWG: Would that be the same for the JP-9102 satellite competition that's ongoing in Australia?

Minister Marles: I guess I'd say it at large. We want to coordinate very closely with the U.S. on how investments in our industrial capability can help complement what the collective industrial base does.

Moderator: Joshua Keating of Grid News?

DWG: Thanks so much.

I wanted to ask you about the strategic concept at the recent NATO summit [inaudible] participated in, particularly the language describing the threat China posed to the international order.

What role do you see NATO and in particular the European powers of NATO playing in strategic competition in the Asia Pacific? What role would you like them to play?

Minister Marles: The participation of a number of countries from the Indo-Pacific in the NATO conference in Madrid we saw as being a really important step forward. NATO we regard as a significant partner for us. In a way the answer to that question can kind of be answered in a mirrored way in terms of our participation in Eastern Europe which is quite a long way from Australia.

I think fundamentally what we want is a building of intent and purpose around protecting the global rules based order. The system of international law which has been built over the course of the period since the end of the 2nd World War which has been so fundamental to global economic development and stability. NATO stands for that. We stand for that.

It's important that countries who are committed to that are standing for that everywhere. That's really the point. That's why we find ourselves supporting Ukraine. I think it's really important that throughout the world there is that sense of solidarity around the global rules based order wherever it's placed in threat.

DWG: [Inaudible], I know a settlement [inaudible] be reached over the [inaudible] France submarine purchase. Are there lessons you think for how that crisis developed for Australia in terms of [inaudible] defense capabilities going forward?

Minister Marles: In terms of what played out with France?

DWG: Yes.

Minister Marles: Yes. This is a matter that played out pretty significantly domestically in Australia since the decision was made to end the contract with France and really right through to the election that we had in May. I don't think it's that fruitful to re-prosecute all of that now. It's difficult to answer your question without doing that. There's a lot on the record with respect to all that which people can go and look at. Obviously we stand by all the comments that we've made in respect to it.

I think we intend as a new government to engage with the world very clearly and plainly and honestly. We will pursue Australia's national interest in what we seek to do. But we will do so in a way which builds the relationships we have with countries around the world, with a very straightforward, honest way of doing business. And that's how we're going to operate.

It has been very important, we feel, to reach a settlement with France so that we can put a line underneath that episode and move forward. Because France matters. France matters to Australia. It's perhaps worth making this point which is not so well understood even I think in Australia.

In many ways, France is our nearest neighbor. In the southeast corner of Australia in the cities of Melbourne, Sydney, Brisbane, that's most of the population of Australia. The closest overseas population to them is in France. It's in New Caledonia, in Noumea. If you think about, include maritime borders, the biggest border that France has with any country in the world is with us.

It's a long way to say France is a Pacific country. It's a liberal democracy. It has a fantastic role to play, and we welcome their presence in the Pacific and we want to do more with them. It's really important that we value the relationship with France and that we are moving forward with them and that we understand the strategic alignment that we both share.

So we are keen to put this episode behind us so that we can focus on that, and that's where we intend to go.

Moderator: Mr. Minister, I know you're leaving here for a very long flight back to Australia. I promised your staff a hard stop at 20 past, we have two minutes left so I will thank the Ambassador and the embassy for your incredible hospitality. Thank all of you for joining us. And if you have any final comments, sir, but I want to thank you for a most thoughtful discussion today.

Minister Marles: I really appreciate all of the very thoughtful questions. For me it's a treat really to be here, and I feel very honored to be doing the first visit of the new government to America. It is and has been since the end World War the most important bilateral relationship that we have. The alliance is completely central to our national security and the way we see the world.

So it has been an honor to reaffirm that on behalf of the new government in the meetings that I've had this week, and I feel that sentiment has been very well reciprocated and that I've been received with a generosity of spirit behind those in the American government and [inaudible] with you today. Thank you.

Moderator: Thank you, sir. Safe travels. Best of luck to you.

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