

Australian Alert Service



22 September 2021

Vol. 23 No. 38

citizensparty.org.au

\$15 (incl. GST)

War and economic breakdown: How did we get here?

There is a direct connection between the British Empire's reaction to the young American Republic adopting a national credit system in the 1790s following the American Revolution, and the position Australians find themselves in today: on the brink of war with our neighbour and largest trading partner, China, at the very time that our economy is hitting the wall after three decades of the deliberate destruction of a once-effective credit system and productive economy.

Most Australians would have no idea of that lineage: of the British imposition of an economic system as a means of global control, anchored in "free trade"; of the subsequent geopolitical schemes leading to two world wars consuming the first half of the twentieth century; of the post-war order envisaged by, among others, Franklin Delano Roosevelt in the USA, Clement Attlee in the UK and Ben Chifley in Australia, hinging on national banking to fund economic development; and of how that order was sabotaged. (Chifley pursued the national banking design of Labor MP King O'Malley, the self-described "Alexander Hamilton of Australia", Hamilton being the inventor of national banking following the American Revolution.) A far cry from today's new alliance, AUKUS (Australia, UK and USA), FDR et al.'s vision was aimed at getting nations to lift the economic conditions of their people through infrastructure, industry, healthcare and education.

The latter half of the 20th century was shaped by the deliberate destruction of the post-war Bretton Woods financial order, along with political events, from the assassination of US leaders attempting to keep the country true to its mission as a beacon of hope and liberty for the world (the Kennedys and Martin Luther King), to the Cold War. In the background, the coordinated rise of neoliberal economic policy across the globe dictated the withdrawal of governments from economic policy and banking, leaving the free market to reign over an era of outsourcing, just-in-time economics, and the abandonment of the principle of the common good.

Efforts to knock out competitors to the unipolar Anglo-American order took a new course following the 9/11



Scott Morrison flanked by Boris Johnson and Joe Biden announcing AUKUS, a new alliance that pushes the world closer to world war. Photo: Screenshot

terrorist attack, targeting major nations like Russia and China capable of creating a coalition of nations returning to credit systems and national development. Regime-change wars and a series of deadly interventions in the name of protecting human rights set us on the course for today's direct escalations against Russia and China.

Announcing the AUKUS deal on 16 September, Prime Minister Scott Morrison declared that we have exited the "relatively benign environment" of days past, entering "a new era". On 20 September, war propagandist Rupert Murdoch's Sky News pumped out its latest anti-China propaganda from Sharri Markson, and Channel 9 aired an "Under Investigation" episode considering the likelihood of outright war with China. The coordinated timing indicates that decisions that could lead us into war, and that will have an impact another hundred years from now, have already been made.

Thankfully, senior, experienced Australians, from former Prime Minister Paul Keating to former Deputy Ambassador to China, John Lander (p. 9), have raised serious concerns about the new agreement which locks us into Anglo-American objectives and further robs us of our sovereignty. Even ANU professor and former Deputy Secretary of Defence Hugh White, with whom the Citizens Party has had profound disagreements before, bluntly declared it "the wrong move". (p. 11)

This historical chain of events is the causality for where we now find ourselves and explains our political and economic inability to deal with all the crises we currently face. The mission of the Citizens Party is based on the recognition that the lives of all citizens—of all political beliefs and persuasions—depend on defusing the danger of a new world war and fixing the disintegrating financial and economic system. This is the level on which we must fight.

IN THIS ISSUE

Government's inquiry exposes de-banking p. 4

Evergrande: a lesson for regulators 6

Australia the staging point for WWII 11



China: Australia squandering 40 years of goodwill

By John Lander. The author worked in the China Section of the Department of Foreign Affairs in the lead-up to the recognition of the People's Republic of China in 1972 and several other occasions in the 1970s and 1980s. He was Deputy Ambassador in Beijing 1974-76 (including a couple of stints as Chargé d'Affaires). He was heavily involved in negotiation of many aspects in the early development of Australia-China relations, especially student/teacher exchange, air traffic agreement and Consular Relations. He has made numerous visits to China in the years 2000-2019.

The increasingly confrontational approach by Australia towards China, especially the talk of going to war over Taiwan in conjunction with the United States, should be of great concern to all Australians, whether they have a favourable opinion of China or not.

Australia needs to chart its own course

Cabinet Submissions and other documents in 1970-72, devising a strategy for transferring diplomatic recognition from the Republic of China to the People's Republic of China, made it clear that Australia would inevitably have to deal with China in a manner untethered from the US approach.

Of particular pertinence is Policy Planning Paper QP11/71 of 21 July 1971 (then Secret/Eclipse, now declassified). It argued that there was "cause for concern whether our alliance with the United States can protect us at every step from political disadvantage resulting from the manner in which the United States conducts its global policies.... The American alliance, in a changing power balance, will mean less to us than it has in the past."

"If anything, this argument has been strengthened by recent United States actions and America's failure to consult us on issues of primary importance to Australia. Accordingly, we shall need, now more than ever, to formulate independent policies, based on Australian national interests and those of our near neighbours, that will enable us to react quickly to developments in United States' policy towards China and Indochina" (and the rest of Southeast Asia).

Our present predicament is due largely to a failure of recent Australian Governments to take this analysis to heart and act upon it. It is as true today as it was in the 1970s.

The souring of a friendship

Australia's relations with China during the last quarter of the twentieth century were characterised by a spirit of collaboration in many areas of economic and cultural activity where we could find mutually beneficial common ground, while not shying away from open disagreement on matters where we did not see eye to eye.

Until recently the partnership has served both sides well. Good will and attendant economic benefit has been squandered.

China's trade sanctions against Australia, cited as signs of China's "belligerence" justifying Australia's hostility, have been in response to an undeniable shift to a more hostile stance by Australia:

- seven years of anti-dumping measures against Chinese imports;
- blocking of Huawei, instead of a technological solution to security concerns;



Former Australian ambassador John Lander, seen here in 2019 at a New Year's event in Shaanxi, China. Photo: Screenshot

- demonisation of Chinese participation in educational and cultural activity—akin to the activities of the British Council, the Alliance Française, the Goethe Institute etc.;
- the consequent demonisation of students from China (and of Chinese Australians);
- the call for investigation into the origins of COVID-19, clearly directed at blaming China;
- interference in Xinjiang on the grounds of fictitious human rights abuses; and most importantly,
- overt support of "democratic independence" movements in Hong Kong and Taiwan.

Taiwan

The status of Taiwan is not central to Australia's core interests.

When Australia established diplomatic relations with the Nationalist government of China in 1941, it did so on the understanding that Taiwan was a province and integral part of the territory of China. When the Nationalists fled to Taiwan our position did not change, although we did not establish an Embassy in Taipei until 1966, which was removed in 1972, when Australia finally recognised the PRC.

Hong Kong

Likewise, Hong Kong is not a core interest of Australia.

When the lease, acquired by Britain by force of arms, expired in 1997, the PRC resumed authority over Hong Kong. It conceded that Hong Kong could be a SAR (Special Administrative Region), with its own system of internal government, but secession was not an option (as with Taiwan). Meddling by the US Central Intelligence Agency's National Endowment for Democracy and other external organisations in independence movements in Hong Kong amounts to interference in a country's internal affairs, in direct breach of the Charter of the United Nations.

Futility of War

War with China over Taiwan or Hong Kong would be futile.

Australia is no match for China's military strength and we would be foolish to rely on the United States for protection. The United States has already shown, by its actions in

Afghanistan, that it is willing to sacrifice the interests of its allies. It did not consult us or its NATO partners on the timing or modalities of abandoning Afghanistan. In response to complaints about lack of coordination with allies, President Biden said the USA would only act “in its own interest”.

Feeding the ‘fat cats’

The recently announced AUKUS nuclear-powered submarine deal, aimed so overtly at China, has greatly undermined Australia’s security. It seems quite patently engineered by the US military-industrial complex, through the American/Australian intelligence community, which has manufactured the “threat from China” out of thin air. It has been unable to show a single instance of Chinese military aggression, citing instead China’s response to the massive build-up of US naval and air power in the South and East China Seas as a sign of Chinese “belligerence”. Freedom of navigation is vital to China’s trade, and the line-up of US naval might along its coast raises fear of a blockade. For China, it is a painful reminder of the “gunboat diplomacy” of the 19th and early 20th centuries.

Now that the US military-industrial complex has lost the \$300 million per day from the war in Afghanistan, it sees rich pickings in Australia—especially if it succeeds in provoking actual military conflict between Australia and China, in which many Australian assets would be destroyed and would have to be replaced under lucrative contracts to American armaments manufacturers. They have always been unconcerned about loss of life (900,000 in Afghanistan alone).

Bilateral and regional economic suicide

Support for the United States’ objective of decoupling China from the world economy would be equally futile. It would only succeed in decoupling Australia from China.

One hundred and sixty other countries, including all of our Southeast Asian neighbours, have signed up to China’s “Belt and Road Initiative”. The Chinese Foreign Minister’s recent visit to the ASEAN (Association of Southeast Asian Nations) countries has reaffirmed their shared economic and infrastructure development partnership.

New Zealand has taken the same approach as all our Asia-Pacific neighbours, showing that it is possible to chart a middle course in relation to China. Australia is cutting itself off from constructive involvement in its own region and is now dangerously isolated.

Even the United States itself has remained coupled to China, moving in to take over trade gaps created by Australia’s foolish attempts to “stand up to” China.

Pull back from the brink

The most effective way to avoid military conflict is to be in a friendly relationship.

Australia needs desperately to return to a level of friendship with China, however qualified that must be by the many differences in our political systems.

In his visit to China as Vice President in 2011, Biden told then-Vice President Xi “we welcome a rising China. If China is prosperous, if 1.2 billion people continue to grow and modernise and expand, that’s good for the US”. Australia should do everything it can to persuade President Biden to return to that view.

Now that President Biden has once again blindsided Australia by assuring President Xi Jinping (on 9 September) that he would not abandon the “one China policy”, Australia could take a similar step. A public statement could be issued reaffirming the terms of the Joint Communiqué on the



Vice-presidents Joe Biden and Xi Jinping visiting a Chinese classroom in 2011, when Biden said “we welcome a rising China.” Photo: Screenshot

Establishment of Diplomatic Relations (“Paris Agreement”), 21 December 1972.

The communiqué states:

“...[T]he Australian Government recognises the Government of the People’s Republic of China as the sole legal government of China, acknowledges the position of the Chinese Government that Taiwan is a Province of the People’s Republic of China and has decided to remove its official representation from Taiwan before January 1973”.

This would concede nothing that has not already been conceded. It could include a reminder of the understanding underpinning Australia’s recognition of the PRC that Beijing would designate the province as an SAR (Special Administrative Region) with the ability to determine its own system of internal government.

The COVID-19 crisis

Another step to improve the atmosphere would be to call on the World Health Organisation (WHO) to extend to Europe and the Americas its investigation into the origins of COVID-19.

Italy (September 2019), France (December 2019) and Brazil found traces of the virus dating from before the first case in China.

In the USA, blood samples showed that the virus was present in 9 States from November 2019 to January 2020. In July 2019 the CDC shut down the United States Army Medical Research Institute of Infectious Diseases (USAMRIID) at Fort Detrick, Maryland because of a failure to meet biosafety standards. Shortly after that, starting in September 2019, there was an outbreak across the US of a mystery disease with COVID-19 symptoms, with 2,600 people hospitalised across 50 States by mid-January 2020. The mystery disease was linked to the practice of vaping (e-cigarettes) because at that stage COVID-19 had not been identified.

The first case in Wuhan was on 27 December 2019 and China reported to the WHO on 31 December 2019. It warned of the virus’ pandemic potential and briefed the Head of the US Centres for Disease Control and Prevention (CDC) in person on 3 January 2020. A few days later, then-President Trump was briefed on the virulent and lethal nature of the virus. He withheld this information from the public, stating on 21 January 2020 that his “friend Xi (Jinping)” had everything under control in China and there was nothing to worry about.

If we supported a truly independent investigation into all this, it would reassure China of Australia’s impartiality.

Ending the stand-off

These two steps would help to ease tensions and possibly contribute to conditions for the resumption a cordial dialogue with Beijing.

AUSMIN/AUKUS make Australia staging point for WWII

By Richard Bardon

21 Sept.—The Morrison government's actions and statements in the past week remove all doubt, that the Anglo-American factions still stuck on geopolitical power games and notions of a "unipolar" world intend Australia to be the chief staging point for war with China, should that country continue to refuse to be assimilated into the so-called "rules-based global order". With the outcome of this year's annual Australia-US Ministerial (AUSMIN) consultations and the implications of the just-announced Australia-United Kingdom-United States (AUKUS) "security" pact, Australia has now explicitly declared China an adversary. Or, as Beijing's official *Global Times* editorialised 16 September, "Australia has turned itself into an adversary of China."

In addition to a long-term nuclear submarine purchase agreement which has garnered the greatest publicity, Australia has agreed to host unlimited numbers and types of American military personnel, weapons and war materiel. China is forced to assume that the latter includes nuclear weapons, and to respond accordingly. Absent a fundamental political shift in Canberra, Washington, or both, there is now no possibility that Australia will not be destroyed, alongside what the late former Prime Minister Malcolm Fraser dubbed our "dangerous allies"—the UK and the USA—in the event of a major war.

Australia and the United States have been tied together, with New Zealand, in the ANZUS collective security agreement since 1951. The new AUKUS pact omits New Zealand, which has refused to adopt a hostile posture towards China, in favour of the UK, which unlike the other two AUKUS partners does not even have a Pacific coastline. The deal was announced at a joint press video-conference by US President Joe Biden and Australian and British Prime Ministers Scott Morrison and Boris Johnson on the morning of 16 September (Australian time), after a reported year and a half of planning in Canberra and several months of behind-the-scenes negotiations. No formal memorandum of understanding or other official documentation was released, but in a statement the same day, Morrison, Defence Minister Peter Dutton and Foreign Minister Marise Payne described AUKUS as "an enhanced trilateral security partnership" that will "build on the three nations' longstanding and ongoing bilateral ties ... to significantly deepen cooperation on a range of emerging security and defence capabilities, which will enhance joint capability and interoperability. Initial efforts under AUKUS will focus on cyber capabilities, artificial intelligence, quantum technologies, and additional undersea capabilities."

Full implementation of Australia's headline-grabbing acquisition of nuclear-powered subs is at least two decades away (with interim leasing arrangements possible earlier), but the agenda taken up the following day in the 2021 AUSMIN talks will have immediate and dire consequences. AUSMIN denotes the "2+2" bilateral ministerial talks of Dutton and Payne with their American counterparts, Defence Secretary Lloyd Austin and Secretary of State Antony Blinken. Retired senior public servant and former Defence advisor Mike Scrafton wrote 21 September in the online public policy journal *Pearls and Irritations*, that the agreements (themselves secret) implied in their joint statement effectively constitute "Australia's surreptitious accession as the 51st state of the [USA]. That it has been done without a vote, or even a serious national or parliamentary debate, highlights the accompanying loss of democracy."

According to the statement, the Australian government

will, among other things, allow "the rotational deployment of US aircraft of all types in Australia"; facilitate "increasing logistics and sustainment capabilities of US surface and sub-surface vessels in Australia"; and "[e]stablish a combined logistics, sustainment, and maintenance enterprise to support high-end warfighting and combined military operations in the region."

Scrafton points out that this means "Australia has effectively surrendered its right to say what kinds of military platforms and weapons can be brought on to, or stationed in, its territory". The implications are grave. First, he notes, "it appears these concessions license the deployment of nuclear weapons to Australia. The US strategic nuclear triad and its tactical nuclear capability is spread across a range of delivery means, including US aircraft, and surface and sub-surface platforms. The joint statement is open-ended; it doesn't exclude long-range nuclear armed bombers, ballistic missile submarines, or the various platforms with tactical nuclear cruise missiles. If Australia is to be a base for sustaining operations it seems inevitable nuclear weapons will enter, transit or be stored here. Australia is too far from the South China Sea to be for launching conventional operations."

The submarine deal

According to the Australian ministers' statement there is not yet a firm plan as to how many or what type of submarines Australia will get, or when. Rather, AUKUS "will focus immediately on identifying the optimal pathway to deliver at least eight nuclear-powered submarines for Australia"; Dutton subsequently spoke in terms of leasing used British or American subs. The exact plan is to be developed over the next 18 months, during which "Australia, the UK and US will intensely examine the full suite of requirements that underpin nuclear stewardship and demonstrate a clear pathway to becoming a responsible and reliable steward of this sensitive technology."

Australia's 2016 deal with France, whereby the majority state-owned shipbuilder Groupe Navale (Naval Group) was to have designed and built 12 "Attack-class" conventionally powered (diesel-electric) submarines, has been cancelled. "This decision was not taken lightly", Morrison, Dutton and Payne insisted, but "[the] security challenges in the Indo-Pacific region have grown significantly" since 2016, in light of which "it is necessary for Australia to have access to the most capable submarine technology available".

The French government is furious, not just at the loss of a multi-decade, \$90 billion contract, but at being kept in the dark and even lied to. According to media reports, Morrison had commissioned a secret study on the feasibility of nuclear submarines in late 2019, and had initiated discussions with senior US and UK officials by March of this year. "After an 18-month process", the 17 September *Australian* reported, the key venue was the G7-plus summit held in Cornwall, UK, in June. Morrison's first in-person bilateral discussion with Biden was "scaled up" at short notice to include Johnson, and "AUKUS was sealed" at that time.

Until just hours before AUKUS was publicly unveiled last week, however, Canberra led the French to believe that the *Attack*-class project would continue. Morrison personally perpetuated the ruse during a day of talks with French President Emmanuel Macron in Paris on 15 June, three days after the G7 meeting. And on 30 August Dutton and Payne, in a joint statement with their French counterparts Florence Parly and Jean-Yves Le Drian, after the inaugural France-Australia 2+2 Ministerial Consultations, declared that they had "agreed on

the next steps for strengthening our bilateral defence cooperation as well as our industrial partnerships with the aim of ... deepening the enhanced strategic partnership that has united France and Australia since 2017. *To this end, they committed to strengthening industrial and capability-centred cooperation and underpinned the importance of the future submarine program.*" (Emphasis added.)

Two weeks later the *Attack*-class program was pronounced dead. "It is really a stab in the back", Foreign Minister Le Drian told *France Info* radio after the AUKUS announcement, according to the 17 September *Sydney Morning Herald*. "We built a relationship of trust with Australia, and this trust was betrayed and I'm angry today, with a lot of bitterness, about this breach [of contract]. This is not done between allies." Macron took the extraordinary step of recalling France's ambassadors to Australia and the USA—though not to Britain, which Le Drian (incorrectly) dismissed as a "fifth wheel" in the present situation.

Morrison has been at pains to stress that switching to nuclear-powered subs will *not* jump-start Australia's own nuclear industry. The line Morrison and Dutton have fed the media is that whilst the practically unlimited range and superior performance of nuclear submarines (which can stay submerged indefinitely because they do not need to take on air as a diesel boat does) would always have been preferable, maintaining and refuelling their reactors would require capabilities that Australia not only does not have, but which are illegal under the *Environment Protection and Biodiversity Conservation Act 1999*. That law prohibits any action involving the construction or operation of a nuclear power station or a nuclear fuel fabrication, enrichment, or reprocessing facility. The advanced reactors the United States has now offered, by contrast, supposedly require neither fuel nor maintenance during the boat's projected service life.

Morrison et al. stated that "The Government's *intention* is to build the nuclear-powered submarines in South Australia [emphasis added], maximising the use of Australian workers". Given the Morrison government's past form, however, we can expect this "intention" to last until just after the next federal election; then local construction will be put in the too-hard basket and the new subs simply ordered off the US or UK production line.

Ceding sovereignty, boosting instability

Chinese state media were quick to denounce AUKUS and point out that what it will bring Australia is a further loss of sovereignty and a place as a target on war-planners' maps. The above-cited *Global Times* editorial was accompanied by an article headlined "Nuke sub deal could make Australia 'potential nuclear war target'". Another column in the paper called the submarine deal "the clearest indication of Canberra's support for Washington's idea of an international system to contain China's economic rise." It added, "[T]he stakes are just too high for Canberra. Australia could face the most dangerous consequence of being cannon fodder in the event of a military showdown in the region." Moreover, "There is no path to future prosperity for an Australia which chooses to isolate itself from the region's largest economy."

Such warnings cannot be dismissed as propaganda, as the more level-headed among analysts in the West, as well as senior political figures in Australia itself have made similar observations. Former UN weapons inspector Scott Ritter, in comments published 18 September, dubbed the submarine deal "a story of geopolitically driven military procurement gone mad".

Former Australian Prime Minister Paul Keating, in a 20

September column for *WAtoday*, charged that the deal ties Australia to any American military engagement against China: "The announced agreement between the United States, Britain and Australia for Australia to move to a fleet of US-supplied nuclear submarines will amount to a lock-in of our military equipment and forces with those of the USA, with only one underlying objective: the ability to act collectively in any military engagement by the USA against China. This arrangement would witness a further dramatic loss of Australian sovereignty, as materiel dependency on the USA would rob Australia of any freedom or choice in any engagement it may deem appropriate."

Kevin Rudd, also a former PM and now President and CEO of the Asia Society emphasised to CNBC TV interviewers 21 September (US time), that there is "a range of views in Australia" on AUKUS's submarine component, and not yet a clear "across-the-board bipartisan consensus". He noted that Australians have raised concerns about violation of the nuclear Non-Proliferation Treaty—an issue because the subs in questions could be armed with nuclear-capable missiles—and the "operational independence" of the Royal Australian Navy. Rudd also said that not only are the French aggrieved, but the foreign minister of Indonesia had raised to him concerns about the implications for "peace and stability" in the region.

Among the most lucid critiques of AUKUS to date comes from Hugh White, professor emeritus of strategic studies at the Australian National University. As head of strategic analysis at the Office of National Assessments in 1992-93 and deputy secretary of defence for strategy and intelligence in 1995-2000, culminating in his chief authorship of the 2000 Defence White Paper, White himself played a leading role in formulating a defence policy centred upon maintaining US hegemony in the Asia-Pacific as a force against China. Whether because the results are not as he intended, or his views have changed in the meantime, in the past few years White has been an increasingly outspoken critic of Australia's ever deepening assimilation into the Anglo-American war machine.

Writing in the 18 September *Saturday Paper*, White opined that as "crazy" as the *Attack*-class project had been, from every standpoint the new plan is worse. "It will make the replacement of the Royal Australian Navy's fleet of *Collins*-class boats riskier, costlier and slower", he wrote, and "it deepens our commitment to the United States' military confrontation of China, which has little chance of success and carries terrifying risks."

White wrote that despite its expense and complexity, nuclear propulsion does make sense for nuclear-armed countries that operate a submarine fleet. Other than for nuclear-armed ballistic missile subs and the "hunter-killer" attack subs designed to track and destroy them, he explained, nuclear subs' "advantages ... do not outweigh their much greater costs." (Indeed, nuclear-armed countries such as Russia and China maintain fleets of conventional subs for that reason.) Therefore if, as Morrison asserts, Australia's submarine fleet "were intended primarily to defend Australia and our closer neighbours, then there is no way we'd consider nuclear propulsion", White wrote. "But the navy decided many years ago that the primary role for our new boats should be to operate off the coast of China in co-operation with the US Navy [emphasis added], and the government has eagerly gone along. That required a submarine that was bigger and more complex than any conventional sub in the world, with attributes only found in nuclear-powered boats." The *Attack*-class was an attempt to solve this self-made problem. Instead, the USA and Britain have stepped in to solve it for us.



Did 'Operation Hookless' hook Biden?

Special to the AAS

No sooner had President Joe Biden defied the military-industrial-media complex by completing the withdrawal of American combat forces from Afghanistan, than he joined with the prime ministers of the UK and Australia to reveal their secret trilateral "Anglophone" deal called AUKUS (p. 11), which has the stench of a new NATO structure for the Asia-Pacific Region and its extension into the Indian Ocean, the Indo-Pacific.

In their press tele-conference on 15 September, Biden, Boris Johnson and Scott Morrison stuck to the specifics of the technology deal to provide Australia with eight nuclear-powered submarines. These vessels are aimed at giving the Royal Australian Navy greater and stealthier reach, as China supposedly projects its blue-water navy beyond the so-called nine-dash-line that defines its areas of vital interest in the South China Sea. Until this deal, the UK was the only country to receive US-designed nuclear-powered subs. But Biden acknowledged, and the following day's bilateral US-Australian AUSMIN talks confirmed, that AUKUS goes well beyond a technology sale, no matter how significant the implications are of providing nuclear-powered submarines to Australia.

Some of the very advocates of permanent overseas military engagement who had condemned Biden for going ahead with the Afghanistan pull-out, now are suddenly full of praise for his decision to reinforce Australia against China. The behaviour of these US war-hawks and their allies in London, and now Australia, is similar to the approach former UK Ambassador Kim Darroch recommended for preventing Donald Trump from acting outside the Anglo-American "permanent warfare" advocates' agenda. "Flood the zone", wrote Darroch in a memo leaked in 2019, "You want as many as possible of those who Trump consults to give him the same answer". The process is not identical, because of personality differences between the two Presidents, but there is an unmistakable push to lock Biden onto an agenda of continuing military confrontation against China and Russia, even as Biden tells the United Nations General Assembly today of his commitment to "close this era of relentless war, ... opening a new era of relentless diplomacy".

'Operation Hookless'

A 19 September London *Times* account of the pre-history of AUKUS gave the now standard version of the scheme being cooked up by Scott Morrison, the 18 months of secret studies of it at a time when Trump was still President, and the March 2021 negotiation during the G-7 heads of state summit in the UK. The gestating AUKUS was dubbed "Operation Hookless" at 10 Downing Street, according to the *Times*, which reported that Johnson pressed Biden to agree to the deal.

Commentators have laughed at the military dimension of "Global Britain"—the return to UK power to "east of Suez"—but AUKUS demonstrates how it's supposed to work: let others do the lifting. An assessment of AUKUS by the Royal Institute of International Affairs (Chatham House), the flagship British once and would-be future imperial think tank, was published 18 September under the by-line of no

less than Dr Robin Niblett, its director and CEO. By "helping Australia resolve this conundrum" of the submarines it could not produce itself, he crowed, "the British government has revealed the versatility of its new foreign policy".

"AUKUS does not over-extend Britain", wrote Niblett, but it puts the UK at front and centre of what happens in the Indo-Pacific. He offered the sailing of HMS *Queen Elizabeth* in the South China Sea as a metaphor for the entire "substance of the UK's Indo-Pacific tilt": "Much derided for not carrying enough of its own aircraft and for depending on US and Dutch escort vessels the UK has in fact managed to coalesce a flexible group of allies around the *QE*, while enabling it to fly the British flag in Asian waters and strengthening interoperability with its allies for future joint operation."

The UK-funded Atlantic Council is the Washington think tank that most looks after the Anglo-American "special relationship"—the traditional post-World War II deployment of American "brawn" by British "brains". In a 15 September post Barry Pavel, a senior official at the Council, hailed the submarine deal and "US submarine access to Australian support infrastructure", which would strengthen "the overall US and allied increasingly 'latticed' global defence posture". "Latticed" is the buzzword for what Niblett and Pavel describe: hitching other countries, like Australia, to their war wagon. Pavel expressed hope that a forthcoming National Defence Strategy Review, under way at the Pentagon, will uphold "latticing" and "further strengthen the already close industrial cooperation among the United States, Australia, and the United Kingdom" on new military technologies.

In addition, the Australian Strategic Policy Institute (ASPI) and the Centre for Strategic and International Studies, another major US think tank, released a joint memorandum this month, titled "Five Opportunities for the US-Australian Alliance to Lead". One is to "Enhance US Forward Presence in Australia"; another concerns increased integration of military production. On 17 September, ASPI—notorious to AAS readers for its record of falsification and war propaganda against China—announced the opening of an office in Washington.

Military-industrial coordination

Calling AUKUS a "historic step", Biden emphasised at the three-way press conference that it "will bring together our sailors, our scientists, and our industries to maintain and expand our edge in military capabilities and critical technologies, such as cyber, artificial intelligence, quantum technologies, and undersea domains".

These topics were on the agenda at the AUSMIN talks the next day. What the defence and foreign ministers agreed on was classified, but the formal statement identified the main points:

- Establishment of a Guided Weapons and Explosive Ordnance Enterprise, to assure defence supply chains in the Indo-Pacific.
- Improved Maintenance Repair and Overhaul capabilities in Australia.

Continued page 14

- Continued bilateral programs for “research, development, test, and evaluation (RTD&E), production, and support across a range of defence capabilities”.
- Pursuing recent “positive progress made in hypersonic weapons and electromagnetic warfare cooperation, including recently finalised bilateral strategies on industrial base collaboration and co-development.”
- Expansion of “practical engagement and integration under the National Technology and Industrial Base (NTIB) to enhance industrial collaboration and build supply chain resiliency.”

The reference to the NTIB is significant. It is a program mandated by Congress to integrate the defence industries of key US allies in what is described as a “defence

free-trade area”, with sharing of classified advanced technologies, integrated production, and what the legislative language called “seamless integration” of the defence industrial, scientific, and supply chain bases. Initially Canada was the only country in the US NTIB, but Congress expanded the program to Britain and Australia in 2017.

The inclusion of the UK and Australia in the NTIB and the first steps towards the AUKUS nuclear sub sale were initiatives of the Trump Administration, which Biden has gone along with. On 9 September the President had a 90-minute phone conversation with China’s President Xi Jinping, aimed at lowering tensions in the strategically crucial Sino-American relationship. The authors of “Operation Hookless” are determined to block that from happening.