

## Transcript

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 Item: **ADDRESS BY ROBERT D. MCCALLUM JR, AMBASSADOR OF THE UNITED STATES OF AMERICA.**  
**INTERVIEWEES: ROBERT D. MCCALLUM JR, AMBASSADOR OF THE UNITED STATES OF AMERICA**

Demographics:	Male 16+	Female 16+	All people	ABs	GBs
	N/A	N/A	N/A	N/A	N/A

**MALE SPEAKER:** Today at the National Press Club, the United States Ambassador Robert McCallum. Mr McCallum was the Bush Administration's appointment to Canberra, and with change imminent in Washington, his term is about to come to an end. The Ambassador reflects on US Australia relations and his time here in today's National Press Club Address.

**KEN RANDALL:** Ladies and gentlemen, welcome to the National Press Club and today's National Australia Bank address. It's a pleasure today to welcome back the Ambassador of the United States, Robert McCallum.

It's surprising to think that his first appearance here was as far back as February last year. And it's an obvious understatement to say that a lot's happened since then, in both countries and the world at large.

Ambassador McCallum, and his wife, who's also here today, have taken a keen interest in many



aspects of Australian life during their period here, and not all of them associated with the formal duties of representing the President of the United States.

Now they're about to go home, and for his reflections on this period in Australia, I invite you to join me in welcoming Ambassador McCallum.

[Applause]

**ROBERT MCCALLUM:** Thank you, Ken, and thanks also to members of the Press Club board, members of the print media and the broadcast media who are joining us today, fellow members of the diplomatic corp, distinguished guests, and Australian viewers around the Commonwealth.

This, as Ken mentioned, is my second opportunity to address the Press Club, and I am very glad to be back for a number of reasons. First, although I've always held the media and the press in high regard, I've even greater appreciation and respect for the role of a free press in a democracy after experiencing the 2007 elections here in Australia and the 2008 elections in my own country.

The print and the broadcast media - and I would say now, also, the blogosphere - they raise issues and they illuminate the election process in ways that provoke public debate and thereby increase the probability of informed decisions being made by the electorate.



I can also say that the media's focus on the election processes itself has highlighted and educated people about the differences in the two election systems, between Australia and the United States. Pre-selection for party nominations versus primaries and caucuses; mandatory voting versus get out the vote efforts; preferential and proportionate voting, versus a winner-take-all result - no matter how close the vote; a leadership determined by control of parliamentary seats, versus an electoral college determination in which different states have different numbers of votes.

All of it has caused me - and I believe many Australians - to realise that there is no uniform or cookie-cutter shape or form - for an accountable and responsive democratic Government.

Democracy cannot be imposed upon a people. But it must be chosen by them through compromise and acceptance in accordance with their history, their culture, and their political diversity. What seems to be the most appropriate, understandable, and reasonable system to the governed provides the legitimacy for governmental power, and I suggest that the media's attention to these issues has forced us all to recognise that as emerging democracies determine their own unique government structure and process - such as those in Iraq and Afghanistan - it may be different in form or substance from that of Australia, or for that of the United States, but it is no less valid and appropriate.



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We should all be grateful to the media for that lesson. Second, as Ken mentioned last time I was here was in February of '07, and your hospitality at this time provides me to deliver a holiday message to Australians across the entire continent. The last time I was here was Valentine's Day and I reminded everyone, including the media, to remember and be kind to that special someone in his or her life.

This time, I'm a week before Christmas, so there must be something in the stars about me, the Press Club, and significant holidays. In my family tradition, at this time of years, we express to others our hope for peace on earth and good will to all men, so my wife Mimi and I take this opportunity to do just that.

Merry Christmas, happy holidays, and happy New Year to everyone in Australia.

Third, as Ken mentioned, I'll be leaving my position as Ambassador and returning to the United States on January 20, with the inauguration of President-elect Obama. Being here today allows me to say a broad goodbye and thank you to all Australians, especially those who have been willing to engage with me in discussions of the great issues of the day - whether they supported or criticised positions and policies of the United States of America.

Australians have taught me a lot. And for that I will always be grateful. I can only hope that I have



provoked Australians to consider an[sic] thoughtful analysis of the important issues of the day as often as Australians have done that for me.

So what I would like to do today is, with your indulgence, as I head out the door, is to reflect on the current state of the relationship between our two countries and on the challenges facing both of us in the near future.

With respect to the current relationship, most of you know that I announced my intention to resign before the US election, regardless of which candidate won, and I did so because I feel very strongly that Australia is one of those countries with such a special relationship to the United States that the Ambassador should and must be a real member of the President's team.

It is an historically strong relationship that is getting stronger and more important to both our countries, year by year, as we move forward into the 21st century.

The basis for that special relationship was first described by Prime Minister Alfred Deakin in 1908 in a letter to then President Theodore Roosevelt, in which he accurately stated - no other federation in the world possesses so many features of likeness to that of the United States as does the Commonwealth of Australia.



And I doubt whether any two people can be found who are nearer in touch with each other - and likely to benefit more by anything that tends to knit their relationships more closely.

One hundred years later, in her visit to Perth to see the Foreign Minister, Secretary Rice confirmed Deakin's view, simply stating, there is no better friend of the United States than Australia.

Although our national interests are similar, most often, it's really our similar pioneer history and experience in our shared values that are the true foundation of this unique relationship.

Both nations are committed to individual liberty, to democratic principles of government, to egalitarian celebrations of diversity, to tolerance of the views of others, to the rule of law and to equal opportunity for all.

Last year there was a change in government in Australia, and there will soon be one in the United States.

Neither of these developments has nor will diminish the breadth and depth of the unique relationship between our two countries. Since 1951, there've been 11 Prime Minister and 11 Presidents - Labor and Liberal. Republican and Democratic. And the relationship has always remained strong, positive and constructive.



It transcends politics and in my brief time here, it has been enhanced in multiple ways and in multiple areas. Let me suggest to you just a few of the areas of the relationship, each of which has been strengthened over the last few years.

Consider for example our military relationship, with our defence forces working together in various areas of the world, including Iraq and Afghanistan.

Consider increased inter-operability through joint training and expanded personnel exchange programs; through joint human relief operations in the Asia-Pacific region; through the recent amendment to the Chapeau Agreement and to a groundbreaking defence trade cooperation treaty, to streamline licensing of sensitive military equipment and technology.

Consider the increased sharing of intelligence information and analysis that not only actively supports our troops on the ground, but also our counter-terrorism and trans-national crime efforts. Consider our increased commercial and economic integration through the effective implementation of the Australia US free trade agreement.

According to the US Department of Commerce statistics, overall trade between the United States and Australia was 68 per cent higher in the first half of 2008 than it was in the first half of 2004, the last year before the FTA took effect.



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Overall, Australian exports in the first half of 2008 were over \$3 billion US dollars, higher than in the first half of 2004, an increase of 57 per cent. Interestingly, Australian service exports to the United States grew by \$1.4 billion US, an increase of 75 per cent in this period.

US exports to Australia in the first half of 2008 are 73 per cent higher than in the first half of 2004 and the US remains the largest investor in Australia and the favourite destination for Australian investment abroad.

Consider the open skies aviation agreement this year which will lead to greater capacity increased, competition and hopefully lower fares for travel between our two countries, all of which will benefit both tourism and commerce.

Consider academic, scientific, medical, technical, and cultural and sports exchanges and interactions as one example this year marks the 60th anniversary of the Australian American Fulbright Scholarship program which we are celebrating with multiple newly endowed state scholarships from Australia.

Seminally six of the eight general Sir John Monash Award Scholars this year will be studying at American universities. The new United States study centre at the University of Sydney is another important example of an extensive program to promote objective analysis, increased academic



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interaction and a greater understanding of the United States by Australians and of Australia by Americans.

Such a program provides critical links between our academics' institutions and both renowned and to be renowned in the future, scholars and researchers in multiple diverse disciplines.

And did I mention the deep space communication complex at Tidbinbilla, run by CSIRO which receives signals from the recent US Phoenix Mars Lander confirming the presence of water on Mars.

And don't forget the general cultural exchanges in the visual and performing arts like Andy Warhol exhibition in Brisbane, the Guggenheim and PIXAR exhibitions in Melbourne. The Rauschenberg Exhibition here in Canberra, performances by the Merce Cunningham Dance company at the Adelaide's Arts Festival and multiple participants from America in the Sydney Biennale just to name a few.

And I'll have to confess to you one thing that in the sports area I got a great deal of pleasure from watching Australian Grant Balfour pitching for the Tampa Bay Rays against the Philadelphia Phillies in the world series of baseball, the American national pastime.



I ask you, given the wonderful Australian sense of humour and an Australian love of a play on words, how perfect is it to have an Australian pitcher named Balfour, something no pitcher wants to ever hear an umpire say.

[Laughter]

You can't help but smile at it, it's wonderful. To make all these interactions easier, both our countries are working to make visa requirements simpler and more transparent for our citizens and for Australians.

Last year Americans made just over 400,000 visits to Australia and Australians made nearly 600,000 entries into the United States. The United States created an E3 visa category specifically for Australian professionals seeking work in the United States.

And last year we initiated a new pilot program for a gap year student work and travel visa. Under this test program Australian University students and recent graduates can go to the United States for up to 12 months with very few restrictions on travel, study, work or otherwise getting to know the United States in whatever manner seems the best to them.

It's my hope that this pilot program will expand over the next few years so that America will



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become the country of choice for work, travel, walkabouts for young Australians.

In addition to all these bilateral aspects of our relationship I also asked you to consider the increased engagement of our two countries together in multilateral fora.

We cooperate and consult extensively on matters involving the United Nations, APEC, the ASEAN regional forum, the trilateral strategic dialogue with Japan, the G20, the World Trade Organisation, the major economies meetings on climate change, the Asia Pacific Partnership on Clean Development and Climate and the Trans-Pacific Partnership, the TPP to name just a few.

Through these multilateral fora, both our countries are attempting to address constructively and effectively global issues on which no one country can provide the ultimate solution and from which no one country can insulate itself unilaterally.

The global financial crisis, international terrorism, climate change, energy security, nuclear non-proliferation, navigational security and piracy, disaster relief, food production and safety, pandemic and health preparedness and research, transnational crime, trafficking in persons, foreign aid and infrastructure assistance to fragile states, all of these are matters in which our national interest



align and on which Australia and the United States are working closely together with other nations.

Now having just provided, if you will a laundry list of global issues in the context of this remarkable relationship between our two countries, let me now sort of turn my attention with you to some of the issues which pose daunting challenges, not just for both our countries but for the entire world in the 21 century.

When I last addressed the National Press Club, I discussed what I considered to be the two most pressing issues facing our two nations at that time, the interdependence of all participants in the new global economy with the risks and opportunities that that presented. And then secondly, the threat posed by international terrorism.

Given the current global financial crisis and the attacks in Mumbai, those two issues remain in my mind as the critical top priorities for both our nations in the international arena.

But there are other equally complex and difficult matters to address, climate change, non-proliferation, energy security, deforestation, water management, food production; one can go on and on.

The November G20 meeting in Washington highlighted a common commitment among multiple



nations to coordinate efforts internationally to address the global financial crisis.

The participants had broad agreement on the implementation of pro-growth initiatives to stimulate their respective national economies; on the need for increased cooperation and communications among national regulators and improvements in national regulatory regimes; on the affirmation of free market principles, the need for reform of international financial institutions; and the rejection of protectionism and barriers to international trade at this critical time.

Since that November meeting, we have seen concerted and consistent actions by various nations, including Australia and the United States, to do just that.

With respect to international terrorism, the horrific attack on innocent people in Mumbai is a stark reminder to us all that micro, asymmetrical actors can have macro effects far beyond the borders of the attacked state.

In addition to the tragic loss of life, we have to recognise that these attacks are intended to undermine stable civil society across the globe, strain and inflame the relationships between neighbouring states and damage the economic social and political structures and stability of many others.



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As secretary Condoleezza Rice stressed in her visits to both India and Pakistan, after the attacks, it is in the national interests of all to have greater international cooperation and greater international action to disrupt and prevent terrorist attacks and Australia and the United States recognise the necessity of applying both hard and soft power to address this continuing threat.

On climate change issues, a great deal of the preliminary work on an international basis has been done over the past two years through the G8 statement, the APEC 2007 resolution, the major economies meetings and the various meetings of the United Nations framework convention on climate change.

Now it's up to both developing and developed nations to define how each will contribute to the reduction of greenhouse gas emissions according to the unique circumstances of each.

Prime Minister Rudd has just announced Australia's reduction goals and an emissions trading scheme, a national program which will be analysed closely by nations around the world. And President-elect Obama has announced his new energy team, and his commitment to investment in clean energy infrastructure and the research and development of alternative energy sources.



Other nations and other economies are doing similar analyses and planning but any realistic hope of a meaningful reduction on a global basis depends on international cooperation and the sharing of the burdens and the costs of remedial action.

I could go on and on about other critical issues - nuclear non-proliferation, energy security, et cetera - but the facet of all of these global problems which jumps out at me is not just that all members of the international community are interdependent in our need to address these issues collectively, it is also that all of these issues are interrelated, each one to all the others no matter what happens to be one's particular focus or area of interest.

One can pick any particular issue and then spin out in one's mind possible impacts on all the others. For instance, one can argue that the global financial crisis and remedial measures to address it will inevitably have an impact on climate change programs, which can impact energy security concerns of nations, which can effect infrastructure and capacity building aid to fragile states, which can create an environment supportive of terrorist activities, which can cause economic and political disruptions, which can effect nuclear non-proliferation concerns.

I suggest to you that as we address one of these global problems there will be anticipated and unanticipated consequences on the other. And the broad-based activity that will be necessary to find



effective solutions to these complex challenges can only be done on a collective multilateral basis.

For that reason when I'm asked to forecast and predict the future, whether the United States will become more isolationist and less engaged in global affairs particularly in the Asia Pacific region, I look into my crystal ball and I find it most unlikely that anything like that can or will occur.

President-elect Obama has nominated Senator Hillary Rodham Clinton for Secretary of State, and Susan Rice to be the UN Ambassador with a Cabinet level rank. Both are very aware of the importance of international engagement, and in the Asia Pacific region particularly so.

For that reason alone I am willing to bet, or as you Aussies say, place my punt, on continued active engagement of the new administration with Australia, with the region, and with multilateral fora that address all of these global issues.

So let me conclude by thanking the people of Australia again for allowing me and Mimi to get to know and interact with you.

It's been a great journey for us to visit on multiple occasions every single state and every territory of this remarkable nation, and to enjoy the wonderful regional pride exhibited in every location, something that's very familiar to Americans with



our strong regional and sexual - and sectional loyalties.

[Laughter]

I'm from the South.

[Laughter]

Whenever I've been asked what is my favourite area of Australia, I always state without hesitation that it is wherever I happen to be when I'm asked. But I tell the people, don't tell anybody else.

My one disappointment I have to confess to you has been that most of my friends and family from the States who have threatened to visit me while I was here in Australia have failed to appear. The tyranny of distance got them. And I worry that my Australian friends will do the same when we're back in the States; promise to call us and visit now, but never do it.

When I told one of my Australian friends that I was afraid that most would never show up, he in the peculiarly Australian gentle way reassured me, don't be bloody stupid mate, is what he said. Haven't you learned anything while you've been here in Australia? We're Australians and we're always interested in a free beer and a good party no matter where it is.



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[Laughter]

I hope that he's right.

So thank you for letting me be with you, and I'll be happy to take any questions that you might have.

[Applause]

**KEN RANDALL:**

Thank you very much Ambassador. As you say, let's move to our questions. The first one today is from Sandra O'Malley.

**QUESTION:**

Ambassador, Sandra O'Malley from AAP.

Obviously the recent shoe-throwing incident in Iraq was a fairly extreme example of some of the anger and frustration that's developed towards the US over the eight years of the Bush administration. You've travelled around the country a lot, as you've said. Have you noticed any of that same kind of antipathy towards the US during your travels? And the whole globe seems to be placing a huge burden on Barack Obama to - you know, to solve all the problems around the globe. Do you think one man can rehabilitate America's reputation?

**ROBERT MCCALLUM:**

Well, let me start, Sandra, with the exception that I would like to make to your assumption about the United States' reputation around the globe. I think that the shoe-throwing incident was certainly reflective of freedom of speech by a journalist, and



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I hope that no-one takes the opportunity to fling one at me today.

However it is not, I think, reflective of the attitude of most Iraqis and of many people in that particular area of the globe. Think back to the choice that people had in Iraq before there was the opportunity for a democratic government there. What do you think would have happened to that individual under Saddam Hussein? I'll leave that to you.

The next issue is think back to the elections that were held in which individuals in Iraq risked their lives under a threat of attack, both during the election process and afterwards if they voted. And do you remember the television pictures of the very pleased millions of Iraqis holding up their thumb or finger with paint on it indicating that they had addressed that fear and had voted to come out and participate in a democratic process.

I think that those two things are telling.

I do think that one can speculate about what activities the President-elect will have, and I've commented on those to the extent I can during my speech because one can only reflect on the people that President-elect Obama has indicated he's going to nominate.

And certainly Senator Clinton and Susan Rice are exceptionally capable people. I happen to have the



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good fortune to go to law school with Bill and Hillary Clinton, Hillary Roddam at that time, and I know them from that experience, and know her to be an incredibly intelligent, very energetic, very determined individual who will do a fine job as Secretary of State.

And you will remember that Susan Rice, who will also have Cabinet level rank, is going to be the United Nations ambassador, and she has been to Australia on a number of different occasions participating in the Australian American Leadership Dialogue and is very familiar with Australia and the Asia Pacific region.

So I - like most Americans, I am placing my confidence in those two individuals. What exactly they will do in the future is pure speculation and I'm not in position to guesstimate all of that.

KEN RANDALL: Thank you. Next question is from Nick Butterly.

QUESTION: Ambassador, Nick Butterly from *The West Australian*.

President Bush took America and Australia to war in Iraq on faulty intelligence, took very limited action on climate change, and now it seems has presided over the greatest economic crash the world has seen since the Great Depression. How do you think the world will - history will judge the presidency of George Bush?

ROBERT MCCALLUM: Well, Nick, I'm very confident that history will judge President George Bush much more favourably than the press does at this time. I think after there is some opportunity for reflection, look at Iraq in which you focus on false intelligence, but look at the status that Iraq is in today with the opportunity for it to progress further into a self-sustaining, self-governing democracy in that particular area of the world.

You indicate that United States did not do anything on climate change. The Bush administration was the first administration that put money on the table for climate change, and participated with others in building an international momentum that we now see is heading toward a 2012 likely agreement between nations internationally, or we hope it'll get there, for climate change activity.

Think of the 20 in 10 program in the United States which had to do with the increase in fuel efficiency on United States' vehicles to cut greenhouse emissions, carbon emissions. Think of the alternative fuels that were funded, in terms of research and activities for ethanol in that program. Think of the future FutureGen project which had to do with clean coal technology development. Look at the number of alternative energy sources, particularly wind, that has been funded through and encouraged through the Bush administration.

There are multiple aspects of the Bush administration that relate specifically to climate



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change that no-one ever writes about or talks about. And the current global financial crisis, most people I think, acknowledge that it began with the sub-prime lending situation in the United States and where did that come from? It came from the prior administration, in terms of making credit more available, to lower income and minority borrowers, so that they could achieve the American dream, a very laudable goal.

But to say that the global financial crisis is the responsibility of the Bush administration, I think simplifies the matter far beyond the actual facts, because there were issues raised within the administration in the first term, and there were objections in the United States Congress for activity to rein in or restrict, so it - I'm not saying that the Bush administration is blameless, by any stretch of the imagination, but I am saying that there is plenty of blame to go around.

The other thing is that in my view, there is very little credit given to the Bush administration relative to the current, its current activities and the status of international affairs. The prior question had to do with the, you know, the standing of the United States in the world, our relationship with Australia had never been better. Our relationships with China had never been better, our relationships with India have never been better. We are engaged, if you will, in Iraq in a way that now appears possible and even likely that a functioning democracy will exist there.



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We are engaged on a multi-lateral basis in the six party talks to de-nuclearise the Korean Peninsula. We are engaged in multi-lateral fora like the United Nations and others to address the potential that Iran may obtain nuclear weapons. We are involved in Africa with \$30 billion over five years to address Aids, HIV treatment. No-one ever writes about that. The President did that.

There is \$1.3 billion going into malaria initiative. Malaria kills more people than HIV/AIDS and it is a preventable disease, and it is only the President who has created that program which will save hundreds of thousands of lives as a result of it. No-one ever writes about that and no-one ever gives him credit for those sorts of activities which display the man's vision, his courage and his compassion.

So I believe over time, history will view this president much differently than the media does at this particular time.

I am unabashedly proud of it.

KEN RANDALL: Thank you...

ROBERT MCCALLUM: Thanks for the question.

KEN RANDALL: ...the next question's from Cynthia Banham.

QUESTION: Cynthia Banham from the *Sydney Morning Herald*. Ambassador, Australia and its relationship with the



United States is always concerned about keeping it engaged in our immediate region and keeping it focused on our area.

How much of a challenge do you think this is going to be under the new administration for Australian to keep the US focused over here? And how much of a challenge do you think that particularly will be with a new Secretary of State?

**ROBERT MCCALLUM:** Well as I mentioned, I have great confidence in the abilities of the new Secretary of State and in the abilities of the new designee for UN Ambassador. And I think that both of them are fully appreciative of the significance of the relationship with Australia; the significance of the southern hemisphere of the Pacific, if you will, in which Australia, among other nations, plays a very vital role.

And so it's impossible for anyone to project and predict exactly what activities, what policies the new administration will follow as I indicated previously. But it's a situation in which we certainly feel that the - across the partisan lines, Republicans and Democrats, Greens, Independents, Libertarians, you name it - look at the people that President-Elect Obama is nominating for those positions and know them to be dedicated public service - servants of great ability.

**KEN RANDALL:** Next question's from Sarah Smiles(\*).



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**QUESTION:**

Ambassador, thank you for coming to talk to us today. I just wanted to ask a question picking up on what Cynthia was talking about. You mentioned how the Australia/US relationship has transcended politics, but obviously it was very strong under the former government with John Howard's close ties with George W Bush.

The question I have is whether or not the change in the administrations will impact the level of cooperation between the two countries, given that Australia won't be as involved in Iraq? Will there be any shift at all in the operational nature of the relationship? Will Australia remain as big an interest to America as it has previously?

**ROBERT MCCALLUM:** Well it's impossible to know with any degree of certainty. But the point that I was really trying to make in my remarks is that the relationship is so broad, in so many different areas - and that includes the personal relationships - that I think one can be extremely confident that there will be continued active engagement by the United States and Australia in the next administration.

As I was asking folks to consider different elements in different areas, it was for the purpose of showing how extensive it is. And when you talk about the military relationships, it's not just the Prime Minister and the President, the Defence Minister and the Secretary of Defence, the Foreign Minister and the Secretary of State. It's all sorts of additional people that are on their staffs. All sorts of different



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personnel exchange program officers who are together one with the other.

For instance, I had the wonderful experience of being out at Stirling Naval Base, out in Western Australia, and who did I find out there? I found four sonar technicians from the United States Navy, that were so excited about being sonar technicians on Collins class submarines, with the Royal Australian Navy. And they were members of the crew. And they were heading out, participating with their Australian naval colleagues.

And that's the sort of thing that goes from the top to the bottom, these multiple, wonderful relationships. And people come in and out of those positions. But the relationship building that goes on is so extensive, that it is inconceivable to me that the United States and Australia will not continue a cooperation that is really unique for the United States.

**KEN RANDALL:** John Kerin.

**QUESTION:** Ambassador, John Kerin from the *Fin Review*.

I just wanted to ask you - you were talking about engagement, or more engagement with Asia - whether you think the timing is right for a new body, and Kevin Rudd's put forward the Asia-Pacific Community. Are you supportive of it? Do



you think it's a good idea to have one body bringing all main players together?

**ROBERT MCCALLUM:** Right. The United States doesn't quite yet know what the Asia-Pacific Partnership proposal is going to be about in terms of details.

Generally, we are in favour of active engagement in Asia and the more effective the forum, the better. I know well Richard Woolcott and he has made trips to multiple nations, all over the Asia-Pacific region. He is going to the United States in the new year to interact with individuals at the State Department and members of the new Obama Administration to talk about precisely the issue of the architectural structure, if you will, of engagement in the Asia-Pacific region.

So the United States is certainly open and interested in discussing it. But until there are specifics to it, I don't think that the United States, or any other nation in the Asia-Pacific region is going to say, you know, that's the horse that we want to ride.

APEC has, and continues to be, the premier international body through which the United States interacts, but it is only really focused, if you will, on economic issues. And so there has been discussion and continues to be discussion among academics, among diplomats, among others, about other possible architecture that might be more effective than that.



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So the United States is interested in discussing it and finding out the details of the Prime Minister's plan. And I believe even the Prime Minister has said this is a 10 year out, sort of, beginning discussion, not necessarily something that's going to exist within the next six months.

KEN RANDALL: Phillip Dorling.

QUESTION: Hi Ambassador, Phillip Dorling with *Canberra Times*.

You've spoken very glowingly of the bilateral relationship and you have defended the legacy of the Bush Administration and also referred to the media's negativity...

ROBERT MCCALLUM: I'm sorry, I couldn't hear that.

QUESTION: ...you've also referred to the media's negativity.

In what sense and more particularly why do you think the Bush Administration, in a sense, has failed so conspicuously in the, if you like, the battle for international opinion? Why all the negativity? Is that a question of style, or substance? What are the factors, do you think, have been involved there?

ROBERT MCCALLUM: I don't mean to be critical of the news media, I think that is, in fact, the news media's role. I mean as a diplomat, some of the things that I have most enjoyed were the most confrontational and, you



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know, antagonistic if you will, in terms of the discussions that I had with individuals in Australia about policies.

One of the things that one has to recognise is that we are talking about war and loss of life. And it is a matter that understandably ought to, and does, create very, very strong opinions. And I think any time one gets into that particular sort of area, there is going to be a significant debate, and there should be.

So I'm - I don't, I don't mean to be critical of the news media in particular. I think that it's just a matter of fact that most often what is news is what's controversial and what's problematic, as opposed to what everybody would agree on and what's good.

I mean, you know, you're not going to go out and write about \$30 billion being spent on HIV/AIDS. I mean everybody's going to say that's a good idea, why isn't it more? You know, it's a problem out there that needs to be addressed and thank goodness the United States is doing that much, but let's do more.

You know, that's the good news. People don't write about good news and I suppose in a democratic society, that makes perfect sense.

**KEN RANDALL:**

Next questions' from Jonathan Pearlman.



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**QUESTION:** Hi Ambassador, Jonathan Pearlman from the *Sydney Morning Herald*.

You've talked about how close relations are between Australia and the US. I just wonder as an Ambassador out here, sort of managing those relations, is it an easy job? Are there any difficulties you've had in managing relationships? And is there anything you think that poses any sort of threat to the relations between Australia and the US?

**ROBERT MCCALLUM:** Well I go back to Phillip's question and, you know, and Sandra's as well. And, you know, the Lowy Institute put out various polls that are reflective of attitudes in Australia. And I am not a statistician and am not in a position to dispute those polls. But when I arrived here there were a significant portion of Australians that did not feel that the United States was a force for good in the world.

That disturbed me. That disturbs me a lot. Since that time they've come out with another poll and the United States has gone from last to first in the question about whether Australians feel that the United States will act, or whether that particular nation will act responsibly in the international community.

And I find it difficult to reconcile those two. And I - the - you know, I'd like to take credit for the fact that I've been out here and opinions have, you



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know, changed, because of my eloquence and my engagement. It ain't so, as we say down south. It's a situation in which the United States has continued its engagement and that over a period of time people, I hope, even if they disagree with the positions of the United States, can understand a rational and thoughtful basis on which the United States is taking its positions, and making its policies.

So your question really relates to, you know, what are the difficulties. One of the things that I was concerned about is trying to be out and about and addressing those issues with Australians, across the entire continent.

And it, as I say, it may be my trial lawyer background, I'm used to being in adversarial confrontational types of encounters and, therefore, when I would go to a university and when I would be challenged by the students and the faculty members, that was a wonderful experience for me, because I got the opportunity to talk with them, to understand what their concerns were. To understand what their analyses were. And then to try address it.

And I don't think that I changed any minds. I don't think that people came out and said; well gee, I've been wrong and now I see the light. But I do think that they may have come away with an appreciation that one wants to get from A to B and most people agree on that, and the issue is how you get there. And what is most likely to get you there. And if



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people understand that it is well intended, well analysed, but a different approach, then I think people are much more willing to accept the bona fides.

That doesn't mean, in a democracy, that we don't then object and oppose in our democratic processes, the policy. But at least it is better understood and the electorate is better informed about it.

**KEN RANDALL:** Question from Robin Fitzsimons(\*).

**QUESTION:** Robin Fitzsimons, freelance.

The fact that Australia has thus far weathered the global financial crisis, apparently somewhat better than the United States, is sometimes attributed to our regulatory regime. I'm wondering if you've got any specific comments about whether the United States has anything to learn from Australia in relation to such regulation.

**ROBERT MCCALLUM:** Well I, I won't focus specifically on the United States learning from Australia, relative to regulatory schemes. But there are multiple areas in which the United States will certainly examine and take reference to the way Australia is approaching its particular issues relative to the global financial crisis.

And I think that what we have seen coming out of the G20, which is regulatory reform that all nations



should be considering, and greater cooperation and communication between national regulators, is consistent with your particular question.

Whether or not the Obama Administration, as it goes forward with its regulatory reforms of the Securities and Exchange Commission, the Federal Reserve Bank, the Controller of the Currency which oversees our commercial banks, I can't predict.

But what I can predict is that there is a global consensus that an examination by each nation should be made and I'm confident that the Obama Administration will be looking at those particular reforms.

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One of the problems with the sub-prime mortgage securitisation instruments is that they weren't transparent, and nobody really knew how to value them. And that was one of the precipitating factors in the initiation of the sub-prime mortgage crisis.

KEN RANDALL: Next question's from David Speers.

QUESTION: David Speers from *Sky News*, Ambassador. Thanks for your speech today. A couple of questions if I may. Much was made of the infamous leaked phone call between Kevin Rudd and George Bush, and how warmly the Prime Minister was or wasn't greeted in Washington.

Can you tell us, do you know if the two have spoken at all in the month since the G-20 summit in Washington? And secondly, does the US support Australia's push for a seat on the security council?

ROBERT MCCALLUM: Answer the second question first, and that is it is my understanding that the United States is working very closely with Australia relative to its interest in a UN Security Council seat.

Number two on - the second question, really the first question is whether or not I'm aware - I'm not aware... they were at APEC together and at the G-20 together. But I'm not aware of particular telephone calls that were held at any other time between the Prime Minister and the President.

But I found it quite amusing again, the Australian sense of humour that infects me sometimes, and that is that the Prime Minister's office said the article was not correct, the White House said the article was not correct, the issue was closed on both sides.



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They then went forward with the G-20 and there was some body language expert that was going to say, you know, did he slap him on the back or was the hand stiff or still, trying to make something out of nothing as far as I could see. I'm - as a trial lawyer I have never been able to get body language introduced into evidence in a court [laughter] to prove one's attitude toward another.

[Laughter]

KEN RANDALL:

Question from Laurie Wilson.

QUESTION:

Ambassador, you talked about the strength of the relationship, saying it's never been better between the two countries. And of course we can look at the FTA for instance as an example of where that relationship at a bilateral level is strengthened, but what can you point to, what would you point to in terms of where Australia has actually influenced American - the US administration policy on a - in a multilateral sense?

And perhaps a second question; my colleague here was wondering what advice you'd give your successor in terms of sampling a delicacy such as Australia's meat pie for instance? But I'm interested in the answer to that, but more generally what advice would you give your successor when they move into Yarralumla?

ROBERT MCCALLUM: All right. It's - because United States policy is involved with - the determination of it is involved with multiple nations, you know, I'm loathed to get into saying Australia's position on X was the determining factor versus, you know, some other nation that communicated with the United States. That's just not something that I'm able or willing to do, relative to the multilateral question you asked.

On the other hand I do think that it is important to note that one of my primary jobs was to make sure that the United States State Department and White House were fully informed of all of the positions that Australia believed were important and were all of the factors that were significant in the determination of United States policy. And that will continue in terms of the next ambassador having that as one of his or her major responsibilities.

The advice that I would give the next ambassador is to travel this great country, as much as he or she can, to interact with Australians all over the continent because it truly is so familiar and yet distinctly, delightfully different than the United States in interacting with Australians.

Ninety three per cent of you live in the urban areas but the other seven per cent I think continue to personify the wonderful national character of Australia. And it's a great thing to be able to interact with those people as well as the folks that are in the urban areas. And I do like the meat pies in Sydney



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right down there at Wolla... Woolag...  
Woolloomooloo, that's exactly right.

[Laughter]

I can never get all the multiple vowels.

[Laughter]

**KEN RANDALL:**

Ambassador, let me ask you the last question of the day, and regrettably on a rather serious note. You also use the phrase relations have never been better when you referred to China. But there does seem, at least from this distance, to be a deep ambivalence in the United States about relationships with China; whether it's a potential ally and friend in the world or a serious and potentially dangerous competitor, particularly in industrial terms, commercial terms. How do you see that developing? Could you imagine that there could be a trilateral arrangement like the one you mentioned between Australia, Japan, the United States and Japan with China?

**ROBERT MCCALLUM:**

Well, saying that our relationships with China are better than they've ever been is to my mind an indisputable fact. That does not necessarily mean that there are not differences of opinion, and differences of national positions and national perspectives with China. And I think that the United States and Australia and other nations in the Asia-Pacific region are going to be working that out over a long period of time.



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Where it will come out, I think is going to be a matter of great speculation, and it will keep editorial writers and commentators fully engaged over a lengthy period of time.

But there's no way for me or anyone else to predict with any certainty as to whether or not frictions will arise that are significant and insurmountable. Or whether there will continue to be a growing significant economic and diplomatic relationship between the United States, Australia and China.

KEN RANDALL: Thank you very much.

ROBERT MCCALLUM: Thank you.

[Applause]

KEN RANDALL: Ambassador, thank you very much for today and for your stint here. We'd like to give you, as well as our standard sort of souvenir of the occasion the membership card, you might just come back to meet some of those mates you've met over the past couple of years. I was going to suggest earlier that when somebody asked you about rus... possible rust spots in the relationship that might develop. If we started to play baseball seriously it could be a problem.

[Laughter]



But thank you very much again for a festive departure from the country. There's something to go with the other. Thank you.

ROBERT MCCALLUM: Thank you Ken and it's been my pleasure.

[Applause]

\* \* END \* \*

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