

2018 Australian Naval Institute Vernon Parker Oration: Amb. John Berry (Ret'd)

Distinguished guests, members of the Diplomatic Corps, ladies and gentlemen:

Let me begin by thanking Vice Admiral Peter Jones, the President of the Australian Naval Institute for the very kind invitation to join you this evening and offer this oration. It is an honor to be joined by the Patron and dear friend, Vice Admiral Tim Barrett, the Chief of Navy and special thanks to Lockheed Martin Australia for their sponsorship of this evening. It is also wonderful to see so many friends from our embassy here, along with many wonderful diplomats, academicians and members of the strategic studies community. Thank you for being here tonight.

But my most heartfelt thanks go to our members from the greatest generation – heroes one and all, and dear friends who I am honored could join us: Bill White, Andrew Robertson, Derek Holyoak and my thoughts are with Norm Tame and condolences for our recently departed Gordon Johnson and his family. These are the men who fought and survived the battle of the Coral Sea over 76 years ago, as well as numerous other battles that secured victory in the Pacific for democracies, freedom and the rule of law. Some have travelled a long way to join us tonight – though happily not as far as they traveled last year to New York City, to commemorate the 75th anniversary of their battle. Let me tell you – they painted the town red from dawn to midnight, proving once again that Americans are no match for the steel livers of Australia – no matter their age! The many friends that you made throughout your trip, from little Italy to the battery to the decks of the intrepid all still ask about you and send their love and highest respect to each of you!

I would ask us all to rise and observe a moment of silence on behalf of Gordon Johnson, a Coral Sea and Guadalcanal veteran, who had hoped to be here tonight, and was buried yesterday in his beloved Canberra.

Today, we are awakening to a new challenge that our democracies and the freedoms we love so dearly are facing. But I will argue that the new challenge which democratic nations face this century comes once again, as it did in the 1930s and 40s, from authoritarian nations with anti-democratic agendas.

First, this is a challenge that is not met best through confrontation. In fact, confrontation in our age must be the last tool used in our policy toolbox.

Rather, I would argue that democracies should pursue a clear-eyed strategy of risk management, with a full spectrum of engagement choices to be used in direct and increasingly aggressive competition with authoritarian governments, so that we hopefully can avoid ever using the final tools of confrontation. America and Australia are two democracies poised to best shape this risk management response and build broad based support among other democracies as well.

Risk management is best thought of just as someone who lives in a wildfire prone environment. Prudent steps to manage risk counsel a range of increasing options such as trimming back growth, fireproofing roofs and constructing water reservoirs. So too should democracies prepare carefully for engagement with authoritarian governments, to be ready for anything, up to and including the worst fire imaginable. That doesn't mean our rural farmer desires a fire any more than democracies seek confrontation. It does mean good common sense would always counsel "be prepared."

Russia's new authoritarian model is a good example of how broad are the challenges we face. On one hand Russia seeks to grow through trade with Europe and international partners while making no pretense of reciprocal benefits to those same partners within its borders. While pretending to comply with the liberal world order created by democracies and free market economies, it has aggressively sought to undermine and assault that order, most notably on its borders, but increasingly further afield – even into the electoral processes of the United States and murder within Great Britain. Its efforts in Ukraine and multiple adjacent nations, along with its active efforts to undermine NATO and wedge unity amongst democratic nations through everything from predatory economics and strategic blackmail to outright military intervention, captures the spectrum of challenges I am trying to describe that democracies face in the 21st century when engaging authoritarian governments.

Another example is China. Since the end of the last century, both republicans and democrats pursued a foreign policy with China that encouraged its economic growth and closer integration into liberal institutions under the belief that eventually with a broader middle class, there might be convergence with our free market system and increased pressure for broader political freedoms, rule of law and human rights. We hoped that as one of the primary beneficiaries of the international rules based order democracies created post WWII, China and other authoritarian governments might eventually be integrated with that order.

That approach was not without cost for democracies: since 2001 when China joined the WTO, for example, US manufacturing declined 40% - losing more than a million jobs in Ohio, Pennsylvania, Michigan and Wisconsin alone. It is interesting to note that those four states are responsible for making Donald Trump president in the last election.

As to trade reforms in China? China still applies a 25% tariff on US car imports, compared to 2.5% tariff in the USA. Under pressure by the president, they are now finally talking about reducing this. No US auto company may own even 50% of a factory in China – while in the USA there are now 5 100% owned Chinese electric vehicles auto companies. Finally, US tech companies are required to have a joint venture and share intellectual property with a Chinese partner as well as storing all data on Chinese storers – with no counterveiling requirement in the US. It speaks volumes that despite these attempts to handicap the USA for decades, we still exported over \$400 billion to the Asia Pacific region in 2017, up 160% from a decade before.

But regarding our bipartisan hopes and dreams for China? Those dreams are now over. We have awakened to a new day that requires clearer thinking and sharper vision. Both republicans and democrats clearly see the communist party and its single leader are now more firmly ensconced than ever; with protectionist and predatory economic policies that jeopardize intellectual property, benefit state owned enterprises and block fair trade. All democracies see China's clear violations in the expansions and recent militarization of artificial islands in the South China Sea, despite Rose Garden promises not to do so. China clearly seeks unilateral hegemony in defiance of international law over this busy trade region. And, sadly, all people see China's use of the internet to enforce greater authoritarian control and violation of human rights within its borders behind a not so great modern firewall.

The new US defense strategy captures this clearly: “China and Russia are now undermining the international order from within the system by exploiting its benefits while simultaneously undercutting its principles and rules of the road.” It is important to emphasize that those rules, which were created by democracies after WWII were an attempt to raise all boats, and we largely succeeded beyond all expectations. America and Australia led the charge for the United Nations, the World Bank, WTO, IMF and other institutions that comprise the rules of the road we speak of when we speak about the ‘international rules based system.’ Global trade did succeed in lifting millions out of poverty. But it did not, as we had hoped for a generation, lead authoritarian nations into partners for the global commons. Great power competition has returned, with one of the most important stakes being none less than a free and open Indo-Pacific.

Finally, we ignore at our peril the fact that authoritarian nations are all clearly expanding military investments, including some modernizing nuclear arsenals, as well as aggressively pursuing artificial intelligence, quantum computing, and space miniturization. Second place is not an option for democracies in any of these fields – lest we find out too late that a new “Sputnik” looms, or that the “silk curtain” is actually made of steel.

All is not dark. The US economy continues to lead the world and is poised for potentially much greater growth. Australia continues one of the world’s longest recession free periods in history. Congress has approved an additional \$80 billion in defense investment and upgrades for every year going forward. History counsels us that when democracies push back against authoritarian overreach, it is very effective. Witness DPRK’s response to the tightest sanctions ever – led by the US and Australia. Witness Australia’s bolder approaches to enhancing its ADF and strengthening regional security through its high end/high tech fighting capability linked with US force posture and multi-lateral and quadrilateral architectures. It is when democracies either fail to push back, or are slow to do so, that authoritarian governments take advantage – exploiting our hesitation to their gain.

What would some key attributes of this new thinking require of democracies? How can we best manage the risks we face?

First and foremost, we must recommit ourselves to our values of freedom, democracy and the rule of law. Those values are true and right and as strong as ever. Recently, the Chinese ambassador to the US presumed: “an old American era is about to end.” He was dead wrong. Freedom, democracy and the rule of law are not in decline and are nowhere near the end. Authoritarian governments wish they were, say they are and will do everything they can to undermine them – why? Because they fear those values more than anything else. That is why it is critical that democracies not only recommit, but publicly defend these values in each and every forum against any attempt to undermine them.

Authoritarian governments do not just seek some benign form of mercantalism. At their core, authoritarian nations seek the abolition and extinction of our core values, the control of the state over the individual, the use of might to determine right, and never to be accountable to the will of the people.

What authoritarian governments want is a world that is at its core diametrically opposed to any world anyone in a democratic society would want to live in. And thank god for the blood and courage of the men and women in this room who have made sure it is not a world we live in today. Thank you to each and every veteran who has fought for our values and rights and for our Australian and American way of life.

Second, as we compete, it must be on a level playing field, and authoritarian governments must not be given “free passes” to create one-sided rules under the misguided thinking that democracies must only engage as things are. Democracies are strong enough and will remain so to demand and require that level playing field, equal access and fair competition. And it is essential that America and Australia both refresh and defend the rules based order we spoke of earlier – supporting the rising of all boats – and being on guard for authoritarian termites undermining the foundations of these institutions.

Third, we – democracies - must always “show up” and not allow a vacuum to exist that can be quickly exploited by authoritarian governments. The new Chinese movie “wolf warrior” shows that they want the world (specifically Africa in the movie) to believe that the USA “left you” and “we are here.” The USA and our allies aren’t perfect by a long shot, and we occasionally drop a ball like anyone – but don’t mistake dropping a ball for leaving the field. Let no one doubt that the USA and our democratic allies are here to play and will stay for the whole game.

Fourth, democracies must maintain strong, capable and connected alliances. The greatest difference between democracies and authoritarian governments is very plain: democracies want stronger partners – authoritarian governments want weaker ones.

Fifth, encourage rule of law and deter coercion and force as a method for achieving goals.

Sixth, work to establish peaceful resolution methods and conflict avoidance to the greatest extent possible between us. A good example is possibly norms for cyber engagement, as well as modernizing hot lines of communication.

Seventh, strengthen, modernize and protect our basic democratic electoral and campaign finance systems as well as ensuring human rights are protected and advanced by technology, not undermined. Democracies should apply full transparency when authoritarian money is changing hands as the best defense against forked tongues. And most importantly, there is no legitimate purpose – ever - for an authoritarian nation to make political contributions or to engage in political social media in a democratic nation. Such actions should be illegal in each and every democratic nation.

Finally, prepare, prepare, prepare. Every democracy should work together to ensure that we are never in second place when it comes to technology, education, or our national defense.

Let me end with where I began, with Bill, Derek and Andrew.

Think of the challenges they faced as young men. A world at war, genocide, all led by authoritarian governments that made critically wrong choices and gambled everything on war. And like it or not, they seem to make that mistake over and over throughout human history.

Modern democracy is a new and young form of government. It is far from perfect. But it is superior in every sense to authoritarian government. Democracies draws strength from the well of human rights and diversity that encourage creativity in every endeavor.

Democracies are slow to go to war – because they care about the life of each and every sailor, soldier and airman and woman in a way that authoritarian governments do not. But make no mistake – when democracies do go to war – they quickly produce the fiercest, most capable and best motivated fighting forces of human history.

Our heroes here tonight did not seek war. But when it came – they fought with every ounce of their strength – because they were not only fighting to protect their homes and families. They were also fighting to defend the values that still distinguish us today: freedom, democracy and the rule of law.

My father fought with them. Though he was born 14,000 miles away in Philadelphia, those same values made them brothers. And from Guadalcanal through New Guinea and up the island chain they proved the metal of the democratic soldier, sailor, airman and marine.

For 100 years now – since the battle of Hamel on the western front to the present day, Australians have fought alongside Americans in every major battle. You are the only ally to have done so, and we celebrate and remember that centennial of mateship. Together, we fought and achieved victory in freedom's greatest crises.

We stand in the shadow of these brave men and every other serviceman and woman who has fought for those values over these many years. Our challenges are tough – but nowhere near as tough as the ones these gentlemen wrestled to the ground – giving the world the longest period of peace and prosperity in human history. If we are one hundredth as good as each of them, we will do just fine.

God bless our heroes. God bless Australia and god bless the United States of America.

Amb. John Berry
10 May 2018