

US-Australia Critical Minerals Compact tightens US noose around our neck

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ANDREW 1: Good morning listeners. My name's Andrew and with me is Bevan Ramsden. We're from IPAN, the Independent and Peaceful Australia Network. In this edition of CICD Alternative News, we examine the Australia-United States Climate, Critical Minerals and Clean Energy Transformation Compact, announced in Tokyo on May 20th this year by Prime Minister Anthony Albanese and US President Biden. Bevan, although this agreement is not yet finalised it appears to represent, on top of AUKUS and the Force Posture Agreement, a further tightening of the US noose around the Australian people's neck.

BEVAN 1: It certainly does. On August 9th the online journal 'Pearls and Irritations', which we highly recommend, ran an article by author and retired diplomat Tony Kevin titled 'Our minerals are ripe for the plucking by the US'. The article shows that this new US-Australia Compact, which has received little attention in the mainstream media, represents a further alarming sellout of our national sovereignty because it will, if put into effect, give the US control of a critical part of our economy by preventing us selling our minerals to China, our major trading partner.

ANDREW 2: On July 24th an article in 'The Strategist', journal of the US-funded Australian Strategic Policy Institute (ASPI), sets out details of this Compact which clearly show its one-sided, unequal and exploitative nature. The ASPI article was written by two American academics and is headed 'An American view on US investment in critical-mineral mining in Australia'. It states that the Climate, Critical Minerals and Clean Energy Transformation Compact is basically intended to reduce US dependence on China as a supplier of critical minerals such as copper, lithium, nickel, cobalt and rare earths, to lock Australia in as a supplier and exclude China. This basic aim is concealed by an electorally appealing 'climate', 'sustainable' and 'clean energy' greenwash smokescreen.

BEVAN 2: In a Joint Statement with Prime Minister Albanese, President Biden said he would ask the US Congress to add Australia as a 'domestic source' of critical minerals under Title 3 of the Defence Production Act. It is claimed that doing so would streamline technological and industrial base collaboration, accelerate and strengthen AUKUS implementation, and build new opportunities for United States investment in the production and purchase of Australian critical minerals. Whilst this would enable US investment in Australia, there appear to be strict rules proposed about who could access these investment funds, how they should be used and who the recipients of these US funds can trade with.

ANDREW 3: The ASPI article states that under the Compact the US would fund only mines, not refineries and would allow Australian processing of the minerals only to the level needed for economical transport to the US. Australian companies seeking access to US funds would be required to divest themselves of any shares held by so-called 'entities of concern', meaning China.

BEVAN 3: The ASPI article also states that the Compact would require all participating companies to cease operations in China and cease selling their products to Chinese entities. Further, the Compact states that US should fund only those mines producing minerals not available in the US or Canada and that US companies should have a controlling interest in these mines in order to enforce compliance with US regulations and prevent Chinese involvement.

It also states that minerals mined in Australia should be processed only by US companies operating in the US, that they should have an end-use only in strategic US sectors like aerospace or transportation and should not be used in consumer electronics like TVs or mobile phones.

As Tony Kevin puts it, we will provide the critical mineral deposits and drive the trucks: the US will control and benefit from almost everything else in the supply chain, when and if the US chooses to develop it. And China will be kept out.

ANDREW 4: This Compact would lock Australia into the escalating US efforts to weaken and destabilise China by means of economic warfare. This is not a trade agreement based on equality and mutual benefit. This Compact would dictate the terms of Australia's trade and foreign policy towards another country or countries. If signed, it would represent another aspect of sovereignty sell out by Australia's political leadership.

BEVAN 4: This Compact is the latest tool by which the US seeks to control and exploit to its advantage a critical sector of our economy, in addition to the massive influence it already wields through its majority ownership of Australian corporations comprising the commanding heights of our economy.

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ANDREW 5: We are indebted to Professor Clinton Fernandes for the information presented in his very valuable book "Island off the Coast of Asia". He explains that of the 20 largest corporations in Australia, 15 are majority US owned. This includes the four major banks, the Commonwealth, NAB, ANZ and Westpac. Due to the disastrous privatisation policies of successive governments, the Commonwealth Bank, once the government-owned people's bank, is now 63% owned by US investors who have profited handsomely from the interest rate hikes which have brought such hardship to Australian mortgage holders.

BEVAN 5: Professor Fernandes points out that BHP Billiton, once popularly known as The Big Australian, is now 73% US owned, as are the other major mineral and energy companies operating in Australia. Even Woolworths is majority US-owned.

ANDREW 6: The Australian political leadership constantly touts foreign investment as a marvellous boon but never publicly admits that this entails foreign ownership, foreign repatriation of profits and heavy foreign influence on government policies, carried out by lobbyists who are concerned only with maximising transnational corporate profits.

BEVAN 6: A classic example of this was former ALP Prime Minister Kevin Rudd's 2010 attempt to implement a resources tax on the mineral sector, so that the extraction of Australia's resources would deliver a better return to the Australian people. The mining companies and their parliamentary political representatives waged a massive campaign against Rudd's proposal. Fearing electoral defeat, the ALP changed its leadership mid-term, replacing Rudd with Julia Gillard who watered the proposal down so as to render it largely ineffective.

ANDREW 7: As we've pointed out in previous programs, the US exercises influence and an increasing degree of control over our foreign policy through its collaborators in the Australian political leadership, using instruments such as the Force Posture Agreement and the AUSMIN talks which are held annually and involve US and Australian defence and foreign policy ministers. Both of these instruments cede our national sovereignty to the US.

BEVAN 7: The US-Australia Force Posture Agreement gives the US military and US contractors "unimpeded access to and use of Agreed Facilities and Areas for activities undertaken in

connection with this Agreement”, and it states that: “Australia hereby grants to the United States operational control of Agreed Facilities and Areas.”

ANDREW 8: Part 3 of Article 7 states: “As mutually determined by the Parties, aircraft, vehicles, and vessels operated by or for United States Forces shall have access to aerial ports and seaports of Australia and other locations, for the delivery to, storage and maintenance in, and removal from the territory of Australia of United States Forces’ prepositioned materiel.”

BEVAN 8: Activities under Article 4 include: “training, transit, support, and related activities; refueling of aircraft; bunkering of vessels; temporary maintenance of vehicles, vessels, and aircraft; temporary accommodation of personnel; communications; prepositioning of equipment, supplies, and materiel; deploying forces and material; and such other activities as the Parties may agree.”

ANDREW 9: The FPA has thus enabled:

- Basing in Darwin of 2,500 or more US Marines each year solely under US command and the establishment in Darwin of the US Indo-Pacific regional command headquarters and a US Air Force operations centre.
- War exercises such as Talisman Sabre involving US and Australian forces and clearly focused on a potential war against China.
- Transiting and stationing of US aircraft at the Tindal and Darwin RAAF bases, including up to six nuclear-capable long-range B52 bombers which, with in-flight refueling, can fly non-stop to China and back.
- Establishing storage depots for fuel, spare parts, bombs and other munitions in the Northern Territory and Bandiana in Victoria.

BEVAN 9: An information sheet giving a thorough analysis and explanation of the Force Posture Agreement and the campaign to have it terminated, can be found on the front page of IPAN’s web site at www.ipan.org.au, that is www.ipan.org.au .

ANDREW 10: AUKUS, the Force Posture Agreement, the AUSMIN talks and foreign ownership of major corporations has resulted in a serious loss of national sovereignty, of Australia’s ability to determine our economic and foreign policy. The Critical Minerals Compact, if implemented, will be a further alarming lurch in this direction and a matter of serious concern to the Australian people. Dr Mike Gilligan is a former senior official in the Defence Department. In a ‘Pearls and Irritations’ article from September 1st he states that we should be white-hot with rage at the erosion of our national sovereignty and the ALP governments’ fealty to America. Only independence can give Australia back its self-respect and sovereignty, enable us to pursue peaceful and mutually beneficial relations with all countries, address the multitude of problems arising from climate change and deliver to the people of Australia the fruits of this country’s resources.

BEVAN 10: That’s all we have time for now, though we’ll be returning to this theme in future. As always, we welcome listeners comments and suggestions, which can be emailed to peacecentre@icd.org.au that is peacecentre@icd.org.au. Good morning and thanks for listening.

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