

## AUSTRALIA MATTERS FOR AMERICA/ AMERICA MATTERS FOR AUSTRALIA

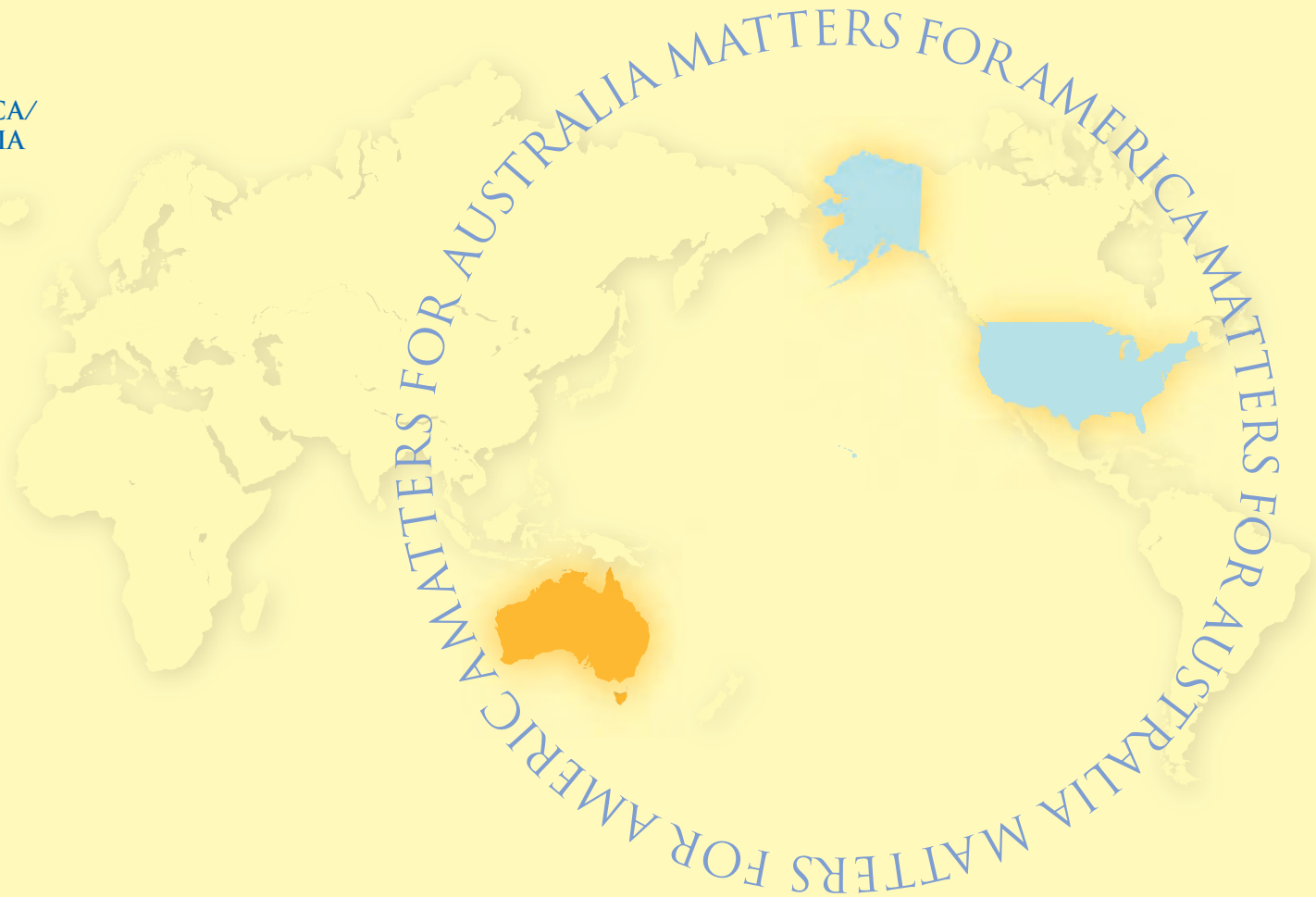
Even in a rapidly changing global and Asia Pacific environment, the Australia-United States relationship and Alliance remain critically important to both countries' national interests. This project, part of the *Asia Matters for America* initiative, is a collaboration between the United States Studies Centre at the University of Sydney and the East-West Center.

It comprises a publication and website that provide a one-stop, ongoing source of information, data, news and analysis on Australia-US relations. The website will host new information, reports and events in the Australia-US Alliance and bilateral relationship.

*A collaborative project of:*



[AustraliaMattersforAmerica.org](http://AustraliaMattersforAmerica.org)



## About Us

The **East-West Center** promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

The **United States Studies Centre** at the University of Sydney was established in 2006 to foster greater understanding of the United States in Australia and around the world. Spanning the study of politics and policy, economics and business, and culture and society, the core activities of the Centre include postgraduate degrees and undergraduate teaching, academic research and research training, policy analysis and commentary, business leadership forums, and public education and community outreach.

**AustraliaMattersforAmerica.org**  
*part of the AsiaMattersforAmerica.org initiative*

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Friends and Allies

Australia and the United States share much in common, from their similar cultures, histories and values to fighting side by side in every major war beginning with World War I. Both countries enjoy among the world's highest standards of living and share long democratic traditions; in fact, Australia's constitution was patterned, in part, on the US constitution. The heads of each government have conducted at least fifteen formal bilateral state visits over the last two decades. As a result of these myriad connections and similarities, Australia-US relations are among the closest in the world.

Australia and US in Perspective		
AUSTRALIA	US	
22.7	313	Total population, millions, 2011
\$1.4	\$15.2	GDP, US\$ trillions, 2011
\$40,816	\$48,666	GDP (PPP), per capita US\$, 2011
41%	25%	Trade, % of GDP
21%	11%	Exports of goods and services, % of GDP
\$31	\$135	Foreign Direct Investment net inflows, US\$ billions
3 million	3.5 million	Land area, square miles
1.9%	4.7%	Military expenditure % of GDP
4.5%	5.5%	Education expenditure % of GDP
2 days	6 days	Time required to start a business
80%	76%	Internet penetration rate

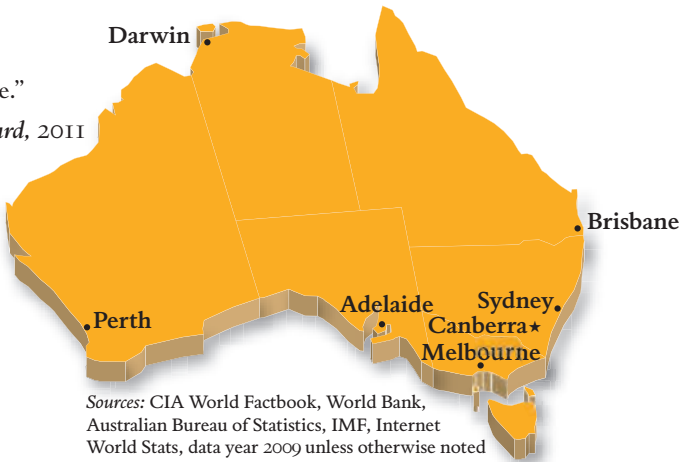
“We have no stronger ally than Australia...Not only do we share a language, a commitment to democracy, a set of shared values, but I think there’s also a shared sense of open spaces and a pioneer spirit...It’s what makes us ‘great mates.’ ”

President Barack Obama, 2010

introduction

“Conceived in the Pacific War and born in the Cold War, adapted to the space age and invoked in the face of terror, our indispensable alliance is a friendship for the future.”

Prime Minister Julia Gillard, 2011





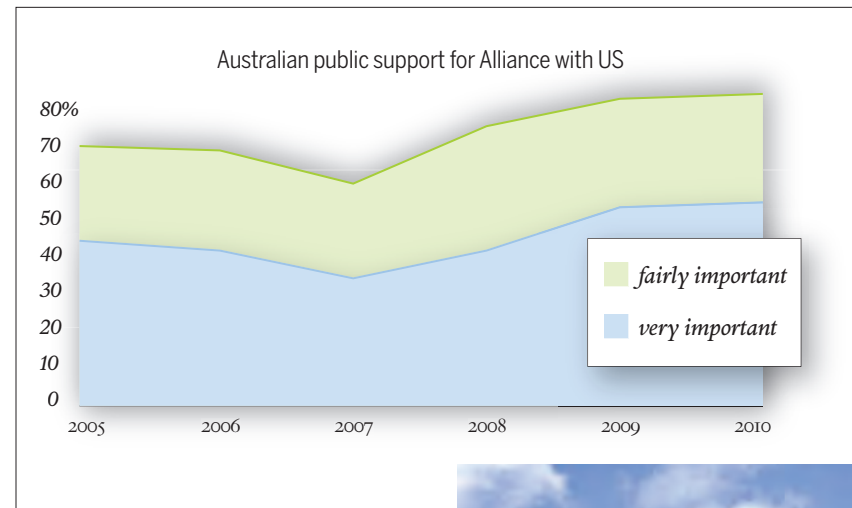
## Sixty Years of Alliance Partnership

Australia and the US are treaty allies through the ANZUS Treaty, which was signed in 1951 and remains Australia's preeminent formal security treaty alliance. Australia is the only country to have served alongside the United States in every major US military conflict over the last century, including operations in World War I, World War II, Korea, Vietnam, the Persian Gulf, Somalia, East Timor, Afghanistan, and Iraq. The two countries conduct joint military exercises and have standardized much of their equipment and operational doctrine. The two share military intelligence at the highest level.

### DEPLOYED FORCES in Afghanistan and Iraq

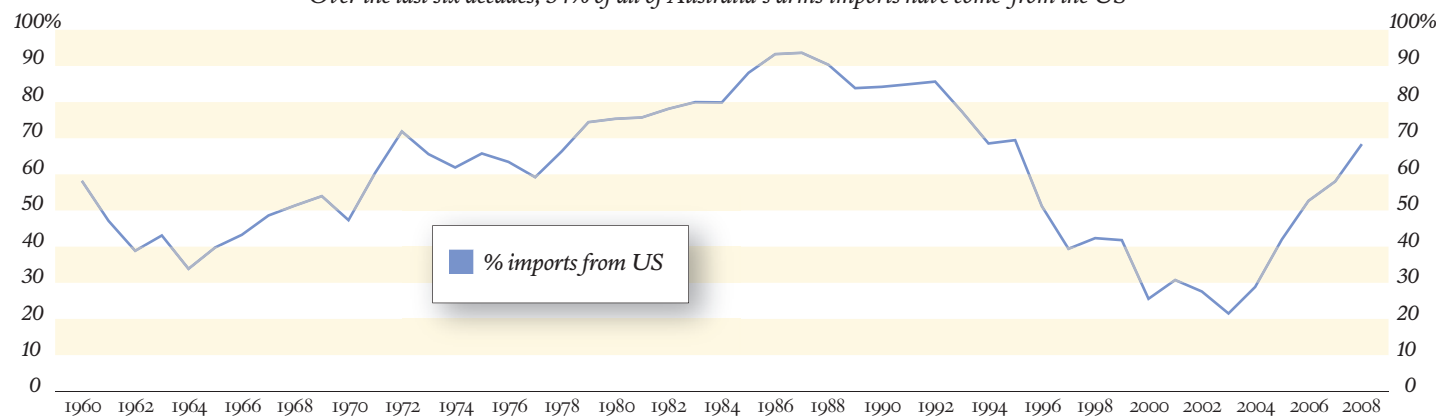
	personnel per million population	percentage of military forces deployed
United States	716	14.4%
Australia	133	5.2%
average for all other other coalition partners	105	2.4%

Source: Derived from data by Mark Thomson, Australian Strategic Policy Institute. Data as of March 2010.



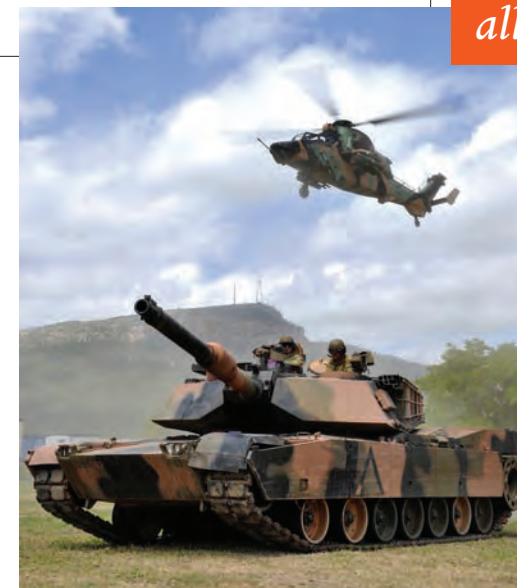
Source: Lowy Institute

### Australian Arms Imports Over the last six decades, 54% of all of Australia's arms imports have come from the US



Source: Stockholm International Peace Research Institute

allies



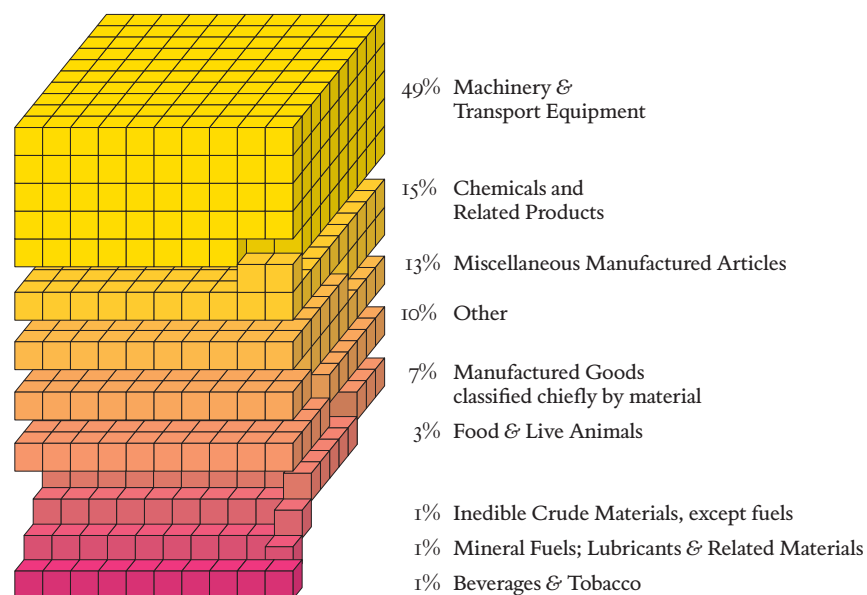
An M1 Abrams Tank and a Tiger Armed Reconnaissance Helicopter at Exercise Hamel, a 2010 military training activity in North Queensland involving over 6,000 Australian personnel and contingents from the US Marines and the New Zealand Army.

## Australia-US Total Trade Reached US\$46 Billion in 2010

Total trade between the two countries has increased 68% from 2000 to 2010. Trade in goods totals US\$32 billion and trade in services totals US\$14 billion. Australia is America's 14th largest export destination and exports to Australia have increased by 84% since 2000. The country is America's 32nd largest source of imports.

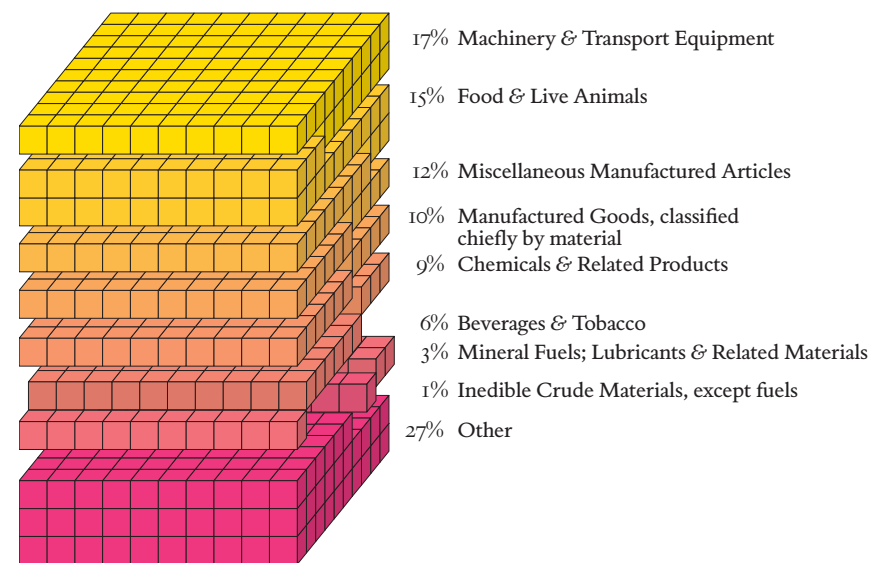
On January 1, 2005, Australia and the US entered into a Free Trade Agreement (AUSFTA), which eliminated 99% of duties on US manufactured goods exports to Australia. This was Australia's first trade agreement with a major economy and America's first with a developed economy since the US-Canada FTA in 1988.

Composition of US Merchandise Exports to Australia, 2010

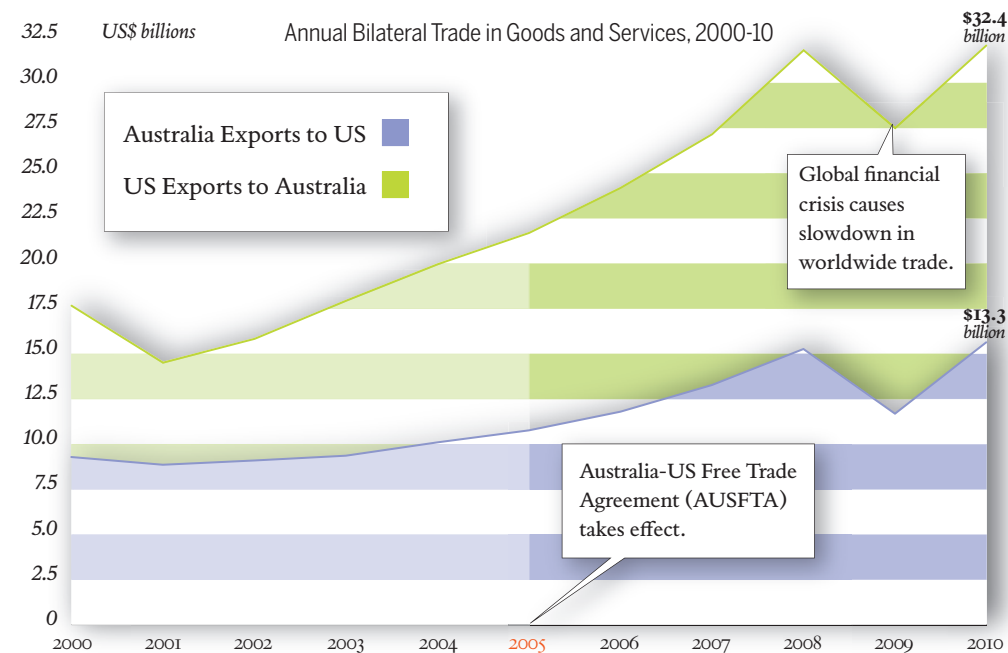


Source: US Department of Commerce.

Composition of Australia's Merchandise Exports to US, 2010



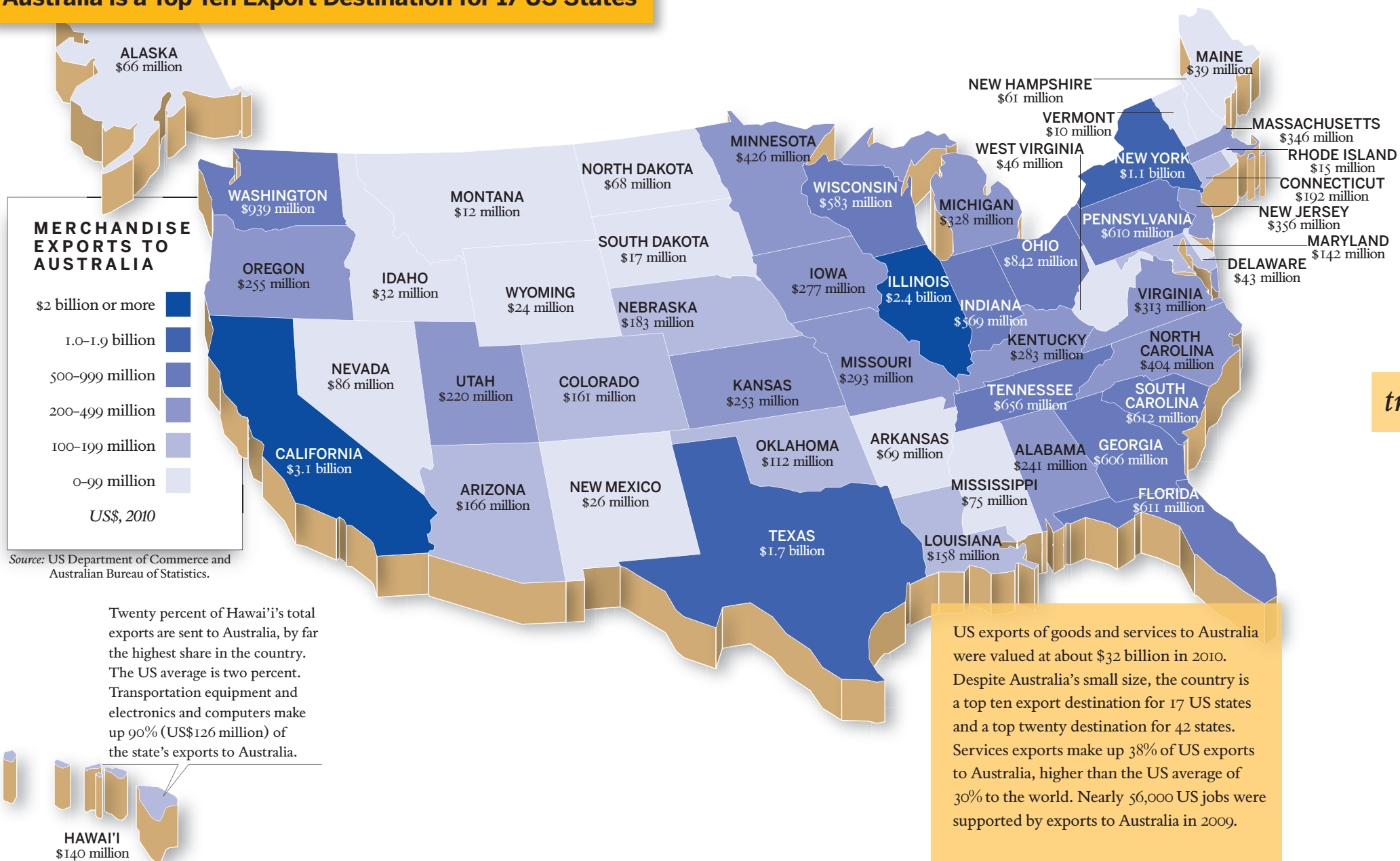
Source: Australian Bureau of Statistics.



Source: Australian Bureau of Statistics.

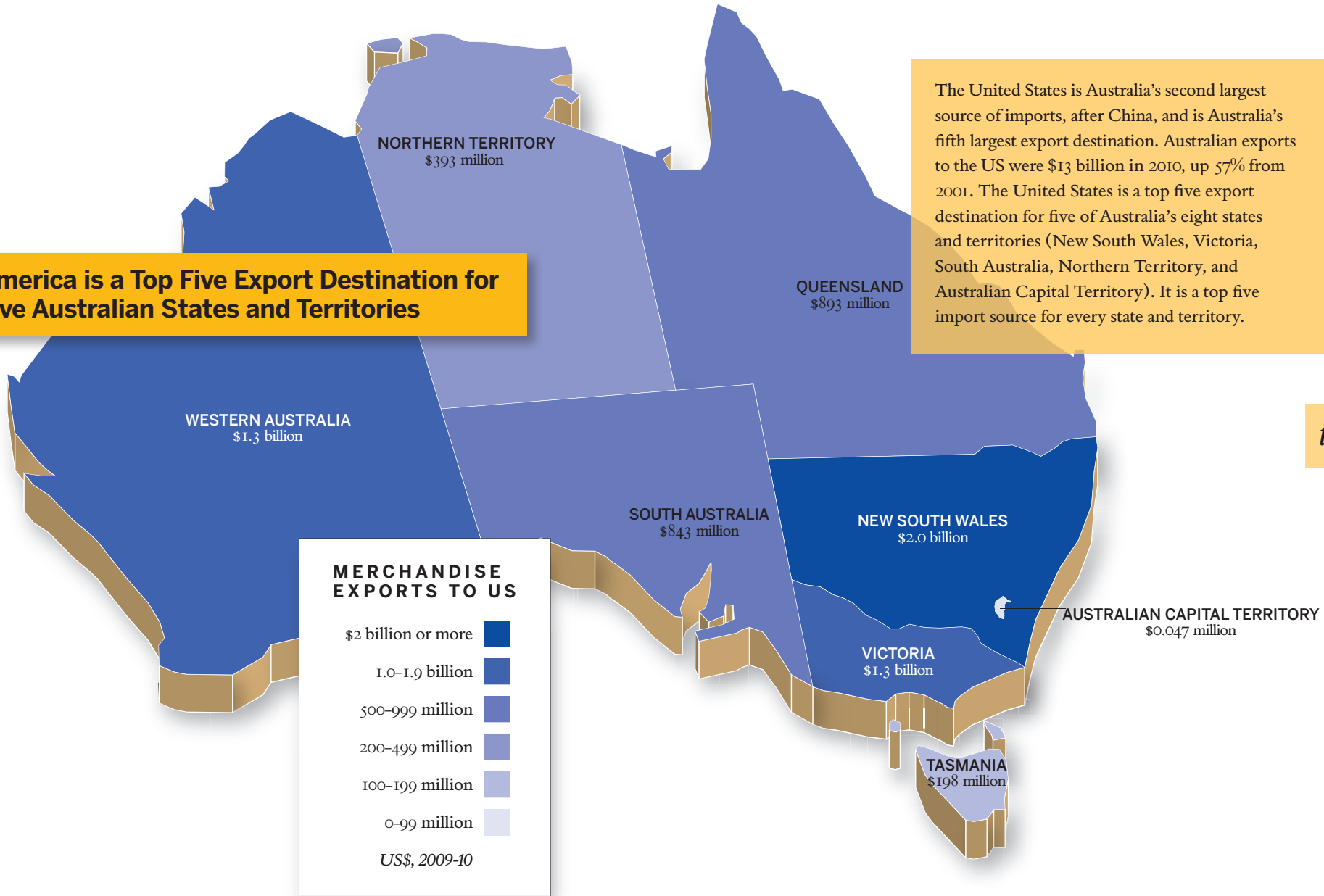
trade

## Australia is a Top Ten Export Destination for 17 US States



**America is a Top Five Export Destination for Five Australian States and Territories**

The United States is Australia's second largest source of imports, after China, and is Australia's fifth largest export destination. Australian exports to the US were \$13 billion in 2010, up 57% from 2001. The United States is a top five export destination for five of Australia's eight states and territories (New South Wales, Victoria, South Australia, Northern Territory, and Australian Capital Territory). It is a top five import source for every state and territory.



Source: Australian Department of Foreign Affairs & Trade.

## Australia-US Total Investment Has Increased Nearly 300% Over the Past Decade

Investment between the two countries has soared dramatically—in both directions—since 2001. Australian total investment in the US reached US\$377 billion in 2010, up 196% from \$114 billion in 2001. Similarly,

US total investment in Australia reached US\$506 billion in 2010, up 326% from US\$119 billion in 2001. Multinationals in both countries contribute to this investment trend, as shown here.

*The Dampier to Bunbury Natural Gas Pipeline at Main Line Valve #7 near Dampier.*



Source: Glen Dillon (Licensed under Creative Commons 3.0).

## Oil & Gas Production in Australia

US energy corporation **Chevron** joined with Ampol to form West Australian Petroleum in 1952. Chevron began piping gas to Perth via the Dampier to Bunbury Natural Gas Pipeline in 1984 and five years later exported its first liquefied natural gas (LNG) shipment from Australia to Japan. The ongoing Gorgon and Wheatstone projects are Chevron's biggest ever and the largest foreign direct investments ever in Australia. Upon completion, the two projects will add almost 24 million tons of LNG natural gas per year to service the burgeoning Asia Pacific market.

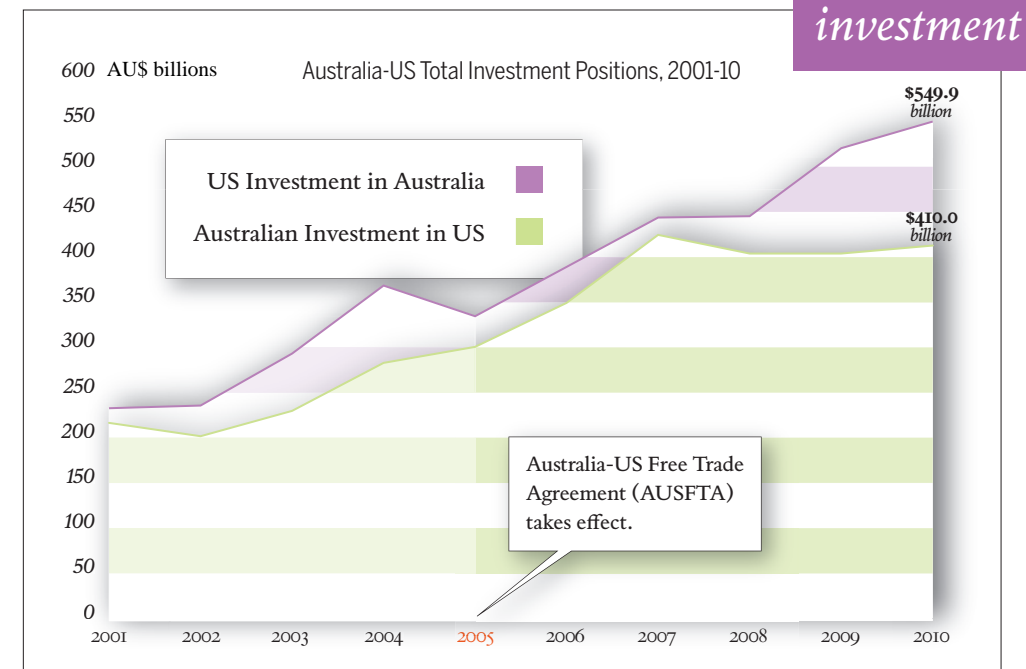
## Retail Malls in America

The **Westfield Group**, co-founded by Frank Lowy in Sydney in 1960, is the largest shopping center operator in the world and the third largest in the US. Westfield acquired its first US-based retail center in Connecticut in 1977 and has more shopping malls in the United States (55) than in any other country, including Australia. In 1996, **Westfield America Trust** was launched to allow Australians to invest directly in the US retail property market. Six weeks prior to 9/11 in 2001, Westfield acquired The Mall at the World Trade Center. Since then, Westfield has consolidated its position as one of the largest retail property groups in the US.

*Westfield Southcenter Mall in Seattle, Washington*



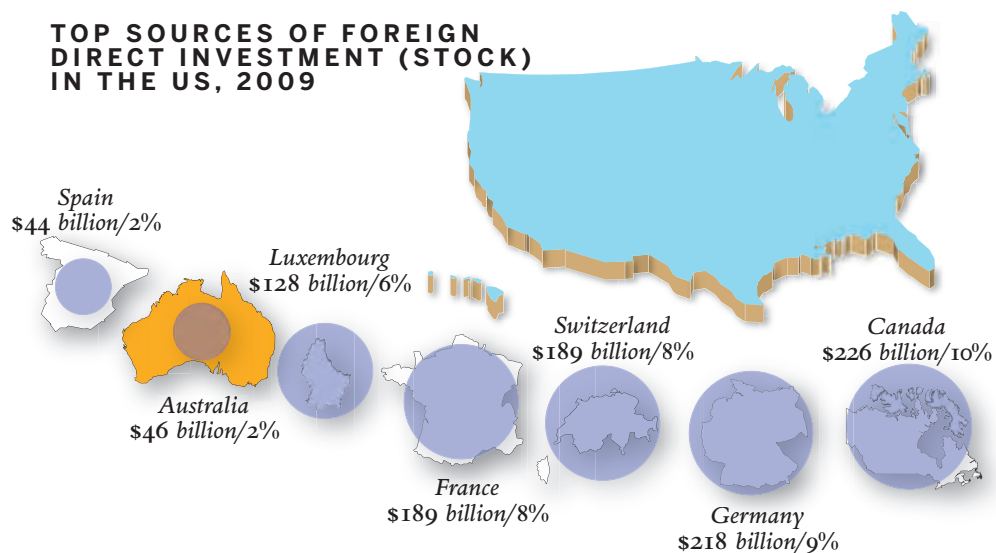
Photo source: Westfield Group.



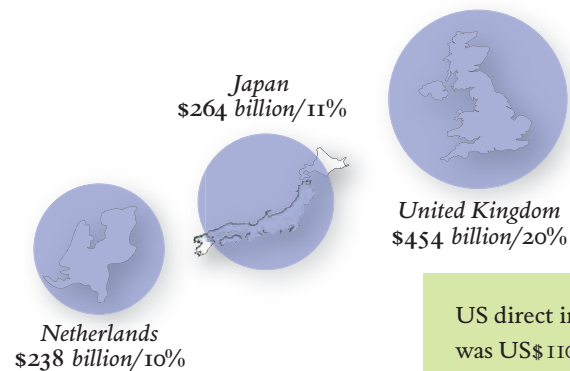
Source: Australian Bureau of Statistics



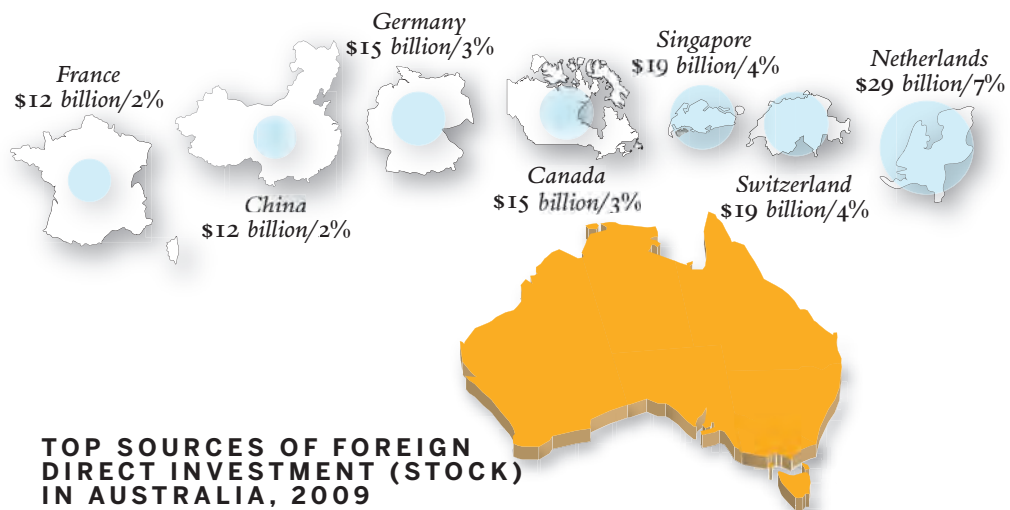
## TOP SOURCES OF FOREIGN DIRECT INVESTMENT (STOCK) IN THE US, 2009



## Australia is the Ninth Largest Source of Foreign Direct Investment in US



## US is the Largest Source of Foreign Direct Investment in Australia



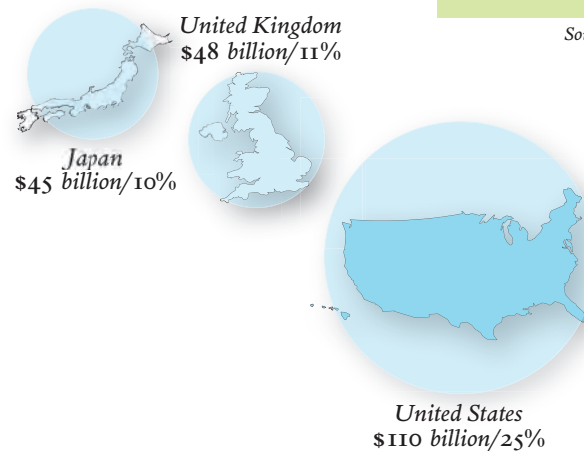
## TOP SOURCES OF FOREIGN DIRECT INVESTMENT (STOCK) IN AUSTRALIA, 2009

US direct investment in Australia was US\$ 110 billion in 2009, up from US\$28 billion in 2001. Likewise, Australian direct investment in the US has also increased, at US\$46 billion in 2009, up from US\$19 billion in 2001.

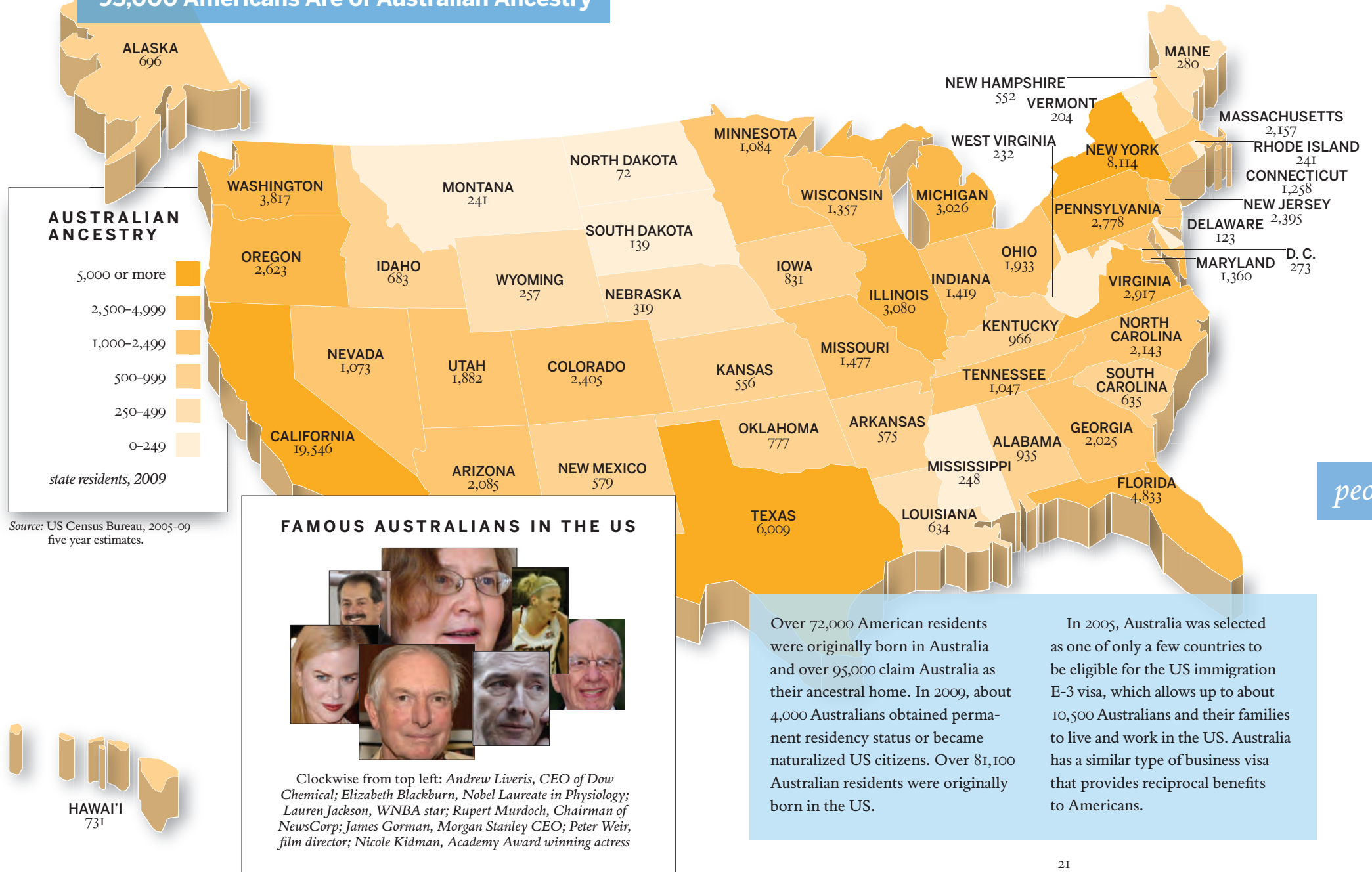
Australia's top investment industries in the US were in finance, manufacturing, and real estate. Top industries for US investment in Australia include finance, mining and energy, information, and manufacturing.

*investment*

Source: US Bureau of Economic Analysis



## 95,000 Americans Are of Australian Ancestry



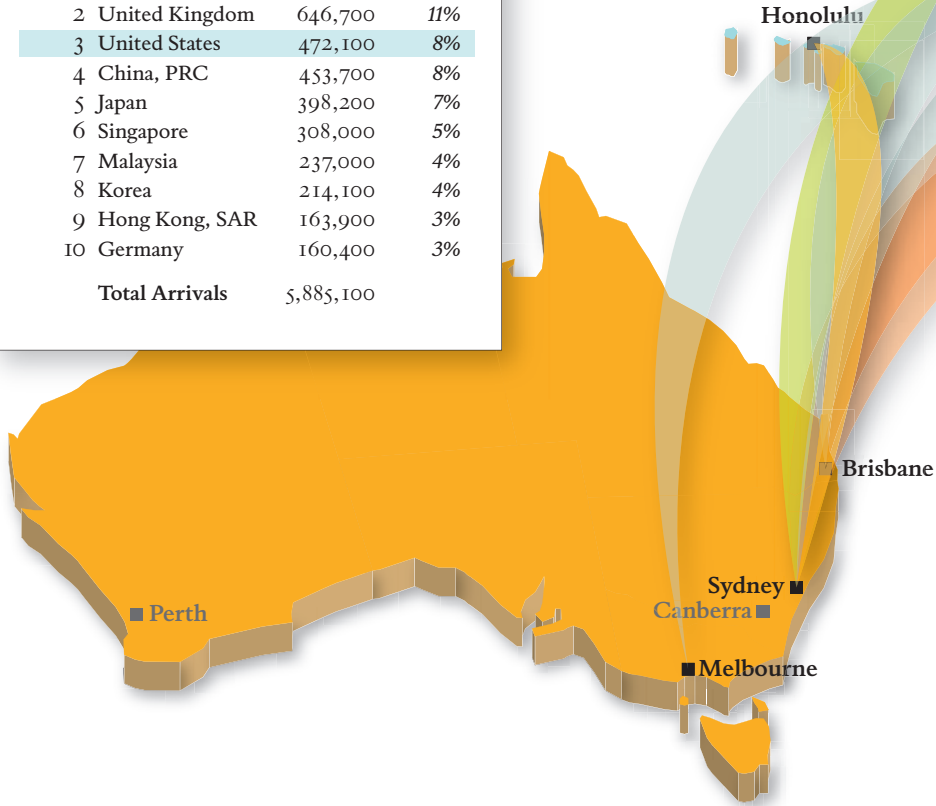
Source: US Census Bureau, 2005-09 five year estimates.

Australia-US Tourism at 1.4 Million People per Year

More than 900,000 Australians visited the US and nearly 500,000 Americans visited Australia in 2010. Americans make up the third largest source of foreign visitors to Australia, after New Zealand and the United Kingdom. Australians are the ninth largest source of visitors to the United States. Australian visitor spending on travel and tourism in the US, which totaled US\$4.0 billion in 2010, accounts for 30% of all US services exports to Australia.

Source: Australian Bureau of Statistics

Visitors to Australia, 2010		
RANK		SHARE
1	New Zealand	1,161,700 20%
2	United Kingdom	646,700 11%
3	United States	472,100 8%
4	China, PRC	453,700 8%
5	Japan	398,200 7%
6	Singapore	308,000 5%
7	Malaysia	237,000 4%
8	Korea	214,100 4%
9	Hong Kong, SAR	163,900 3%
10	Germany	160,400 3%
Total Arrivals		5,885,100



Visitors to US, 2010		
RANK		SHARE
1	Canada	19,959,000 33%
2	Mexico	13,423,000 22%
3	United Kingdom	3,850,864 6%
4	Japan	3,386,076 6%
5	Germany	1,726,193 3%
6	France	1,342,207 2%
7	Brazil	1,197,866 2%
8	South Korea	1,107,518 2%
9	Australia	904,247 2%
10	Italy	838,225 1%
Total Arrivals		59,744,616

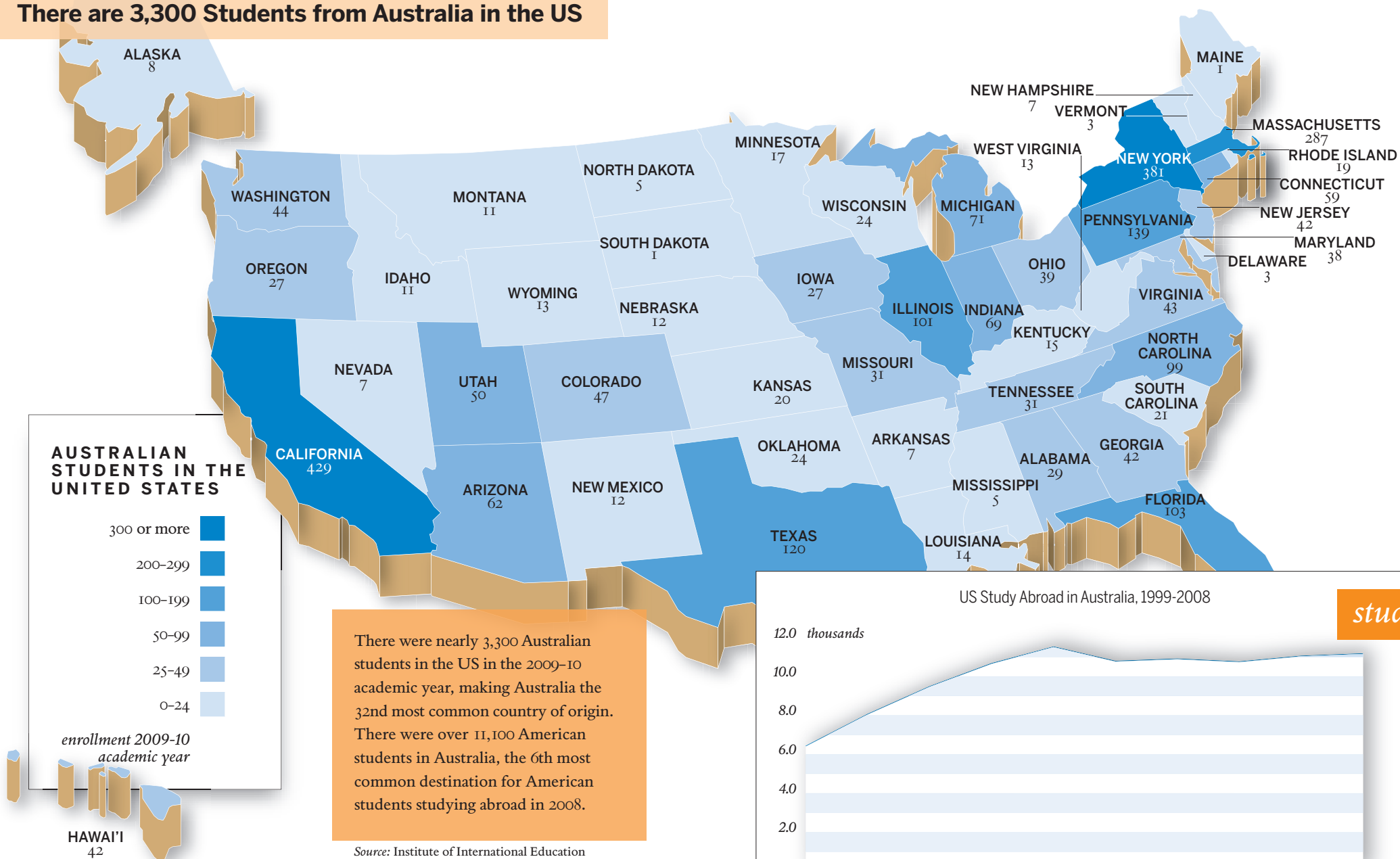
Source: Office of Travel and Tourism Industries, US Department of Commerce.  
note: United Kingdom includes Channel Islands and Isle of Man.

US-Australia Nonstop Flights

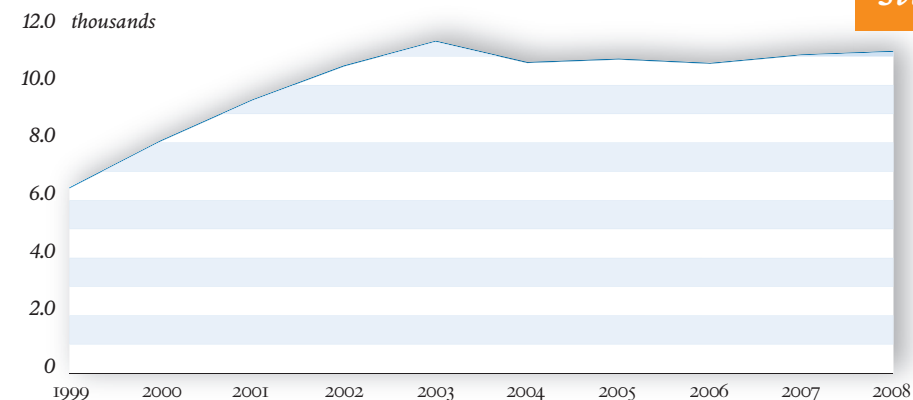
- Los Angeles-Sydney: 7,490 miles/12,100 kilometers
- Los Angeles-Brisbane: 7,160 miles/11,500 kilometers
- Los Angeles-Melbourne: 7,920 miles/12,700 kilometers
- Dallas/Fort Worth-Sydney: 8,530 miles/13,800 kilometers
- Dallas/Fort Worth-Brisbane: 8,300 miles/13,400 kilometers
- San Francisco-Sydney: 7,420 miles/11,900 kilometers
- Honolulu-Sydney: 5,070 miles/8,160 kilometers



## There are 3,300 Students from Australia in the US



US Study Abroad in Australia, 1999-2008



# US and Australia Share 23 Sister Cities

The Darwin and Anchorage sister city relationship connects two rugged and isolated communities. Their geographical and historic similarities have spawned community and educational exchanges.

Sister cities are local level municipal partnerships between US cities, countries and states with similar jurisdictions in Australia. America and Australia have 23 sister city relationships, including eight in California and twelve in New South Wales.

Note: Maps are not to scale

Sources: Sister Cities International and individual sister city associations.

Annually, six high school students each, from Hawkesbury Shire and Temple City, spend approximately five weeks on exchange, where they live with a host family and attend classes.

PERTH, WA/SAN DIEGO, CALIF.  
HOUSTON, TEXAS  
COCKBURN, WA/MOBILE, ALABAMA

ADELAIDE, SA/AUSTIN, TEXAS

MILLCENT, SA/SEGUIN, TEXAS

BEAUFORT, VIC/BEAUFORT, N.C.

LISMORE, NSW/EAU CLAIRE, WISCONSIN

COLAC, VIC/WALKER, MICHIGAN

MILDURA, VIC/UPLAND, CALIFORNIA

MELBOURNE, VIC/BOSTON, MASS.

GREATER BENDIGO, NSW/LOS ALTOS, CALIFORNIA

ALBURY, NSW/MERCED, CALIFORNIA

SYDNEY, NSW/SAN FRANCISCO, CALIFORNIA  
SUTHERLAND SHIRE, NSW/LAKEWOOD, COLORADO  
HAWKESBURY SHIRE, NSW/TEMPLE CITY, CALIFORNIA

BANKSTOWN, NSW/COLORADO SPRINGS, COLORADO

WYONG, NSW/CLEARWATER, FLORIDA

BLUE MOUNTAINS, NSW/FLAGSTAFF, ARIZONA

PORT STEPHENS, NSW/BELLINGHAM, WASHINGTON

WAUCHOPE, NSW/CANISTEO, NEW YORK

GOLD COAST, QLD/FORT LAUDERDALE, FLORIDA

*sister cities*

### COMBINED FOREIGN AID

*countries where Australia and the US  
each contribute at least US\$30 million  
in aid, 2009*

### Shared Values and Global Interests

Australia and the US share common interests and similar views on most major global issues. The two work together on global environmental issues, to control weapons of mass destruction, and in international organizations such as the World Trade Organization (WTO) and the Asia-Pacific Economic Cooperation (APEC) forum. In the 2000s, only the United Kingdom voted more often than Australia the same way as the United States in the United Nations General Assembly.

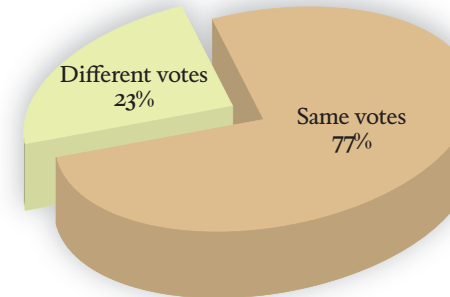
The two countries have close cooperation in a wide variety of fields. The NASA space program maintains in Australia its largest program outside of the US. One Australian tracking station was vital for receiving signals from the Apollo 11 moon landing for international TV broadcast. A formal agreement strengthens emergency management cooperation during severe natural disasters in both countries.

Source: Organization for Economic Co-operation and Development



### UN GENERAL ASSEMBLY VOTING:

*US-Australia Agreement, 2009*



Source: US State Department

*international cooperation*



## The Asia Matters for America Initiative

The brochures and AsiaMattersforAmerica.org website of the Asia Matters for America initiative provide a hub for a global audience to explore the importance of Asia to the United States and the United States to Asia at the national, state, and local levels. The graphical project, including an interactive website, reveals surprising findings through the use of maps, charts, graphs, and raw data, allowing comparison across countries and states.



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*Part of the East-West Center's Asia Matters for America initiative, this project is a collaboration of the East-West Center and the United States Studies Centre.*

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4 July  
1918

US and Australian forces fight alongside each other for the first time at the battle of Hamel in Northern France during World War I.

## Over 100 Years of Cooperation and Partnership between Australia and the United States

20 August  
1908

President Theodore Roosevelt's Great White Fleet stops in three Australian cities at the invitation of Prime Minister Deakin.



26 December  
1908

American Jack Johnson wins the title of world heavyweight boxing champion in Sydney after having been denied the chance earlier due to segregation laws in America. He became the first person of color to win the title.



8 January  
1940

The US and Australia establish formal diplomatic relations.

December  
1941

Australia joins America in the Pacific War. Later, US General Douglas MacArthur places the Allied Pacific headquarters in Australia.

1942-45

Almost one million US troops visit Australia as part of Pacific War.

Main sources: US Department of State, Australian Minister for Foreign Affairs, Academy of Motion Picture Arts, US Defense Department. Thanks to John "Drew" Petruschka for research assistance.

1 September  
1951

The ANZUS Treaty is signed in San Francisco, establishing a formal trilateral alliance between the US, Australia and New Zealand.

1950-1953

Australia is the first to follow the US in contributing forces to the UN operation in Korea, later known as the Korean War.

1956

Australia and New Zealand become a formal part of the UK-US agreement on signals intelligence cooperation.

January  
1959

United Artists *On The Beach* is filmed on location in Melbourne, starring Gregory Peck, Ava Gardner, Fred Astaire, and Anthony Perkins.

10 February  
1960

NASA's deep space tracking facility opens near Woomera, SA.

1962-1975

60,000 Australian troops serve for more than a decade in the Vietnam War, Australia's longest-lasting commitment to any war.

17 May  
1962

Prime Minister Robert Menzies announces the US Naval Communication Station at North West Cape, WA.



October  
1966

US President Lyndon Baines Johnson visits Australia, the first US president to visit while in office.

9 December  
1966

Australia-US announce a joint facility for intelligence and surveillance to be located at Pine Gap, NT.

5 October  
1974

Olivia Newton John's hit song "I Honestly Love You" hits number 1 in US.

1990

Australia contributes forces to the United Nations operation in Kuwait and later in the Persian Gulf.



1996

Australian Geoffrey Rush wins an Academy Award in Best Actor category for his role in *Shine*.

1980

Air Supply's album "Lost in Love" achieves three US Top Five singles.

15 July  
1985

The Australia-United States Ministerial Consultations commence and become the principal annual forum for bilateral consultations between the two countries.

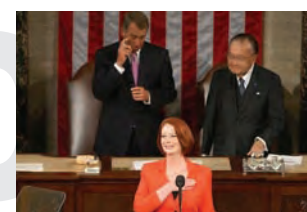


1986

Paul Hogan's *Crocodile Dundee* becomes the second highest box-office earner for the year with US\$175 million.

March  
2011

Prime Minister Julia Gillard visits the US and addresses Congress to mark the 60th anniversary celebrations of the ANZUS alliance.



16 November  
2011

US President Barack Obama visits Australia and addresses Parliament to commemorate the 60th anniversary of the Australia-US alliance.

14 September  
2001

Prime Minister John Howard invokes the ANZUS Treaty for the first time to support *Operation Enduring Freedom* in Afghanistan.

20 March  
2003

Australia joins the US-led coalition *Operation Iraqi Freedom*.

18 May  
2004

The US-Australia Free Trade Agreement is signed.

January  
2009

US President George W. Bush awards former Australian Prime Minister John Howard the US Presidential Medal of Freedom.

22 February  
2009

Australian Heath Ledger receives a posthumous Academy Award in Best Supporting Actor category for his role in *The Dark Knight*.