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SUBMISSION IN SUPPORT OF AUSTRALIA-ISRAEL FREE TRADE AGREEMENT

May 19, 2021

Outlined are my thoughts in support of a proposed Free Trade Agreement between Australia and Israel.

Sincerely,

Phil Scanlan AM

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**Australian Consul General, New York (2009-2013)
President Society of Foreign Consuls, New York (2013)**

National Governor



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A prospective Australia-Israel Free Trade Agreement (FTA), properly and comprehensively designed, represents for Australia the opportunity to extend our nation's global engagement on a multi-tiered strategic basis. For Israel and Australia in combination, the leveraging of Australia's strategic engagement with our Indo Pacific neighbours will derive exponential mutual benefits in security, investment, enterprise and human capital.

Given the stressful dynamics of current challenges in the Middle East, now is the very time to accelerate efforts towards the FTA and contribute to cementing sustainable partnership between our aspirational, model societies, based on mutual trust.

Personal Observations

After completing my studies at Sydney, Oxford and Harvard universities, I have made it a personal mission to educate and familiarise myself with Australia's strategic positioning in the globe, its political risk profile, public policy initiatives to optimise the role of the market economy, transformational leadership, and implementation of systemic change between nations, in enterprise systems, and within societies and their institutions.

Reflecting this geopolitical/geo-economic focus have been over 40 years in diplomacy, senior and chief executive roles in global enterprise, civil initiatives and NGO entrepreneurship.

- Experience has taught me that geopolitical/geo-economic policy and commercial/institutional strategic engagement are multi layered and inextricably linked.
 - That ideas, adherence to values and a culture of lifelong learning are integral to sustained enterprise/institutional/community high performance.
 - High performing societies need not necessarily depend upon abundant natural resources, land or millions of people.
 - They do need to educate their population.
 - They demand smart and entrepreneurial people.
 - They thrive most where governments provide economic and political stability, and the tools to sustain high community performance.
 - Every nation and community is driven to embrace the fast changing economy and society of the 21st century, and capitalise on the digital future that is underpinning these changes.
 - Alignment of enterprise/institutional stakeholder interests with those of the communities we serve is never an easy task, but that is the challenge to leaders in the 21st century.
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My personal ties to Israel include:

- 35+ years as National Governor of the Australia-Israel Chamber of Commerce
- Leader of one of the largest AICC trade delegations to agritech in Israel, September 1999
- Working closely with (Westfield co-founder and Holocaust Survivor) John Saunders in developing and launching the Sydney Jewish Museum
- Presenting to Simon Wiesenthal in Vienna (1987), the GIFT OF LIFE—the compendium of the 40th anniversary oral testimonies of the Australian Association of Jewish Holocaust Survivors and their Descendants
- As Australian Consul General, New York (2009-2013) the honour to speak at the Park East Synagogue annual Chanukah concert, SYMPHONY OF THE SOUL
- This was the opportunity to broaden congregants' (including many Survivors) understanding of Australia and our detailed history of Judaism since settlement.

Bipartisan imperative—enhanced mutual national interests

Bipartisan advocacy of the FTA through Australian and Israeli leaders shall create a significant added dimension to the bilateral relationship and a springboard for further initiatives.

- The Australia-Israel Economic Freeway, to which the FTA is integral, will provide a welcome layer of transparency for Australian citizens to experience first-hand benefits from the exponential creation of new economic space.
 - At the heart of the Economic Freeway concept are liberated capital flows, free movement of people, two-way deals, research interchanges, widespread networking and expansion of relationships.
 - Australian interests remain fundamentally unchanged – to underwrite sustained prosperity for Australians, and to build on this security foundation by proactively engaging our front yard neighbours across the Indo Pacific and the wider world.
 - These strategies must be pursued with likeminded partners because together they help optimise Australian national interests better than all other options.
 - For example, as the world becomes increasingly exercised about the prospects in life sciences and the potential of biotechnology, it is well to remind ourselves that Australian excellence in world class scientific and medical research dates back over 100 years.
 - The collaborative potential through combining Australian world class capabilities in life sciences with the preeminent capital market skills of Israel, is destined to become a high priority item on the Economic Freeway agenda.
 - There is great potential to broaden the relationship between two of the great social experiments.
 - Our shared challenge is sustained community cohesion.
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ASPIRATIONAL, MODEL SOCIETIES

While no country or community withstands the withering scrutiny of perfection, aspirational model societies built upon democratic values, pluralism, principles of inclusion and universal adherence to the rule of law – of which Australia and Israel are examples – are again under serious and direct threat.

- Mutual trust is key to sustainable, systemic relationships.
- Time horizons need to be half centuries.
- Otherwise, misunderstandings with unforeseen consequences may occur.

There is a transcendent quality to innovative civil diplomacy which empowers individuals in different societies to promote greater cultural awareness and mutual understanding.

- The more practised we are as leaders in our professional lives, the more effective our voluntary efforts at mutual understanding can be.
- Civil leaders should provide the foundations of support to officialdom – elected and appointed – in confronting threats to the fabric of societies.
- Board Members of think tanks should have a mutual compact to publicly confront extremism in their countries, whatever their source and nature.
- As inaugural chairman of The Sydney Institute (1989-1993), I established this understanding with fellow Board Members.
- If left to officials to undertake this task alone, the risk can be too high.
- It is imperative to combat contemporary resurgence in anti-semitism, to engage and support moderate religious leaders, and confront outbreaks of left and right extremism.

The FTA would reinforce Israel's engagement throughout the Indo Pacific encompassing security, trade, investment and broader linkages.

- Australians should embrace this commitment.
 - Our focus should not be about whether we are to be interlocked with Israel, but how we need to advance Australian and Israeli mutual interests by doing so.
 - This is a leadership opportunity of significant moment.
 - Leadership is about creating new space in the service of others.
 - Israelis and Australians understand and embody this.
 - Current and future generations of Australians and Israelis deserve no less from the management of this vital bilateral relationship.
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Australia-Israel Chamber—AICC

In its April 2021 submission, the AICC has detailed compelling reasons for the efficacy of the FTA, and outlined practical examples of a platform to expand economic, strategic and freedom space.

These include:

- The digital economy, innovation hubs and the nurturing of best-in-class high tech eco systems.
- Cyber security which, like the air we breathe, transcends national/community boundaries.
- The revolution in financial services.
- Education, the lifeblood of and the platform to optimise human capital.
- Our #1 assets are Israeli and Australian citizens, the diversity of whom we celebrate.
- Defence and global supply chain collaboration.
- Advanced manufacturing, leveraging IOT, AI, cyber security and other relevant elements of the digital economy.
- This is where MUTUAL TRUST is the coin of our bilateral partnership realm.
- Food and agriculture, mining and resources, lifesciences, infrastructure and procurement.
- Very importantly, freedom of people movement between our countries.
- Access to the boundless opportunities inherent in regional transformation derived from the Abraham Accords.

This opportunity to advance mutual global engagement is strategic and is driven from our hearts and minds, not minimalist econometric modelling.

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