

23 October 2025

Mr Albanese goes to Washington



John McCarthy is a former Australian Ambassador to Vietnam, Mexico, Thailand, the United States, Indonesia, and Japan, and High Commissioner to India. His assignments in the Department of Foreign Affairs and Trade (DFAT) in Australia included Chief of Staff to the Foreign Minister, Chief Legal Officer and Deputy Secretary.

What follows, with the permission of the author, is an adapted version of an article that first appeared in the Australian Financial Review on 17 October 2025.

Prime Minister Albanese met President Trump in Washington on 20 October.

Thus far, Albanese has dealt with this Administration with equanimity, declining to rush the gate for a meeting. This is no bad thing. It is best to avoid projecting neediness to Trump.

The supply of critical minerals from Australia to the United States will have been mooted. Albanese and Trump have discussed this on the phone. The topic is live in the wake of further Chinese limitations on the export of critical minerals and rare earths and Trump's suggested imposition of an additional 100% tariffs on China.

United States tariffs on Australia will have featured. But our problems here compared with those of many of our friends are slight.

The AUKUS deal is likely to be remaining on track. On 30 September, the usually reliable Japanese online publication Nikkei Asia reported sources claiming AUKUS was "safe" and the vibes coming out of Canberra are positive.

The Americans may be looking for understandings on deployment of AUKUS submarines were the Americans to be involved in hostilities, or about Australia agreeing to certain levels of defence expenditure. Albanese has already made clear that these are issues upon which Australia must decide.

Here are a few thoughts on broader questions about the alliance.

First, while Trump is basking in the at least partly merited glow of the Gaza deal, this remains a dreadful administration.

Access. Engagement. Resolution.

It is seeking to disassemble, enfeeble or make into catspaws many of the institutions to which America owes its greatness.

The notion that the President should not through his office enrich himself or his family is fast evaporating.

Perhaps most dangerous, the President and his lickspittle, the Secretary of War, Pete Hegseth, appear bent on making the American military beholden not to the interests of the nation, but to the ideology and whims of the Administration -even if this approach leads to military action against American citizens in a domestic context.

Externally, the administration may have a case for allies to pay more for their own defence.

Its package on Gaza is initially a win and may achieve long term results.

But its overtures to Russia have achieved little. There is no end in sight for the Ukraine war. Russia is becoming more adventurist towards NATO members.

Trump's tariff policy not only impacts adversely on America's friends but is bouncing back on its own economy.

America is no longer trusted. And trust is the solder of alliances.

This is not the America Australia once knew. A post-Trump era may herald the return of some of America's better angels, but not all of them. After all, more than half of the Americans who voted in the Presidential election supported Trump.

The concept of Australian-American mateship, always hyperbolic, is no longer salient. The relationship is about interests, not values.

The United States will remain an ally, but we must understand we will be dealing with a foreign country.

This leads to the second thought.

Despite these perspectives on this administration, a continued significant American security presence in the region in defence of America's own interests remains in Australia's interest.

We have historically been wedded to the concept of protection by powerful friends. This is the wrong way to look at things.

Rather we should focus on the fact that America's need to protect its own interests will require a continued regional presence. This should in turn preserve a balance of power in the region.

That balance protects us as much as the ANZUS treaty which contains only an obligation for the parties "to consult whenever in the opinion of one of them, the territorial integrity, political independence and security of one of its parties is threatened in the Pacific"

We have played our part in assisting the Americans maintain that regional presence. We should say so.

The third point is that our security is not just about Australia and the Americans. It is about how the Americans handle others in the region. They are doing this badly.

The linchpin of America's regional presence has always been Japan. With Russia to its North and China and North Korea to its West -all with nuclear weapons -Japan's alliance with the United States remains critical to Japan.

However, Japanese domestic politics are in disarray. The majority party, the LDP, has lost ground in recent elections and is reliant on alliances with other parties to remain in power.

The LDP's main ally since 1999, the pacifist leaning Komeito party, will not support the LDP while it is headed by its recently elected leader, the nationalist Sanae Takaichi. At this point, the leadership of Japan is uncertain.

The United States needs a strong Japan. Its economic actions against Japan have left the latter bruised and resentful. This is not the time to be pummelling it.

The United States has also fallen out -dramatically -with its other large regional partner, India.

This has happened both because of the imposition on it of two 25% tariffs and because of favourable United States treatment of India's rival Pakistan after clashes between India and Pakistan in Kashmir.

The rupture has implications for the regional grouping of the United States, Japan, India and Australia known as the Quad.

The United States has also levied severe tariffs on several countries in Southeast Asia.

The latter is the most significant locus of Sino-United States strategic competition. A sub-region embittered by American behaviour is against our interests.

Fourth, Albanese met Trump shortly before the latter's probable -if still uncertain -meeting with Xi Jinping.

Given our overall strategic objective of a more peaceful region, American dealings with China are of the essence.

We should be thinking in terms not just of deterrence of China but of a lowering of the temperature of the Sino-American relationship.

The two processes are not inconsistent. And Trump wants to be a deal maker.

There is no magic formula for Sino-American rapprochement, but some winding back of trade sanctions would be a start.

Such a process could be combined with incremental trust building in areas of global application, such as public health, and with improved people to people ties.

Access. Engagement. Resolution.

The Ambassador Partnership can help in connecting with networks around the world, with insights for business and government policy, to address global challenges

To discuss how we can help you please contact:

Tracey Stewart
Partnership Secretary
<u>tracey.stewart@ambassadorllp.com</u>
<u>www.ambassadorllp.com</u>