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“Tomorrow’s Rules Today; Not Yesterday’s Rules Tomorrow”.

The free trade agreement with the United States is an act of strategic engagement by Australia that is long overdue. It represents a step towards a systemic bilateral economic partnership with the globe’s most dynamic, competitive and technology driven society. Demographic trends point to a US population of 440 to 500 million by mid-century, exceeding that of an enlarged European Union and nearly half of China’s (at present, it’s a quarter).

The ultimate prize through the construction of a two way economic freeway between Australia and the US is the transformation of a 20 million market population into one of more than 300 million. Australia’s perennial political risk hurdle of economic scalability will be resolved.

The great opportunities of the future lie with the smaller and medium sized enterprises bound for the global market. Enterprise Australia is strategically engaged because its competitiveness benchmark is global.

Notable examples of successful Australian enterprise are Richard Pratt’s Visy, Rupert Murdoch’s NewsCorp and Frank Lowy’s Westfield. Much of corporate Australia is self resplendent in sound operational performance, but is strategically disarmed.

In discharging their responsibilities of steering their enterprise, institution, NGO or nation through the surging waters of globalisation, contemporary leaders need strategic armoury. We are all in this together, and are impelled to play by tomorrow’s rules today. There is no future in being run over.

What enterprise leaders want from policy makers is a stable environment that creates additional commercial space in which to generate greater wealth, prosperity and security for Australians. They need assurance that Australia has a seat at every relevant table where our interests are affected, and even determined.

The invitation to negotiate an FTA is a case in point. The defeatist stance that Australia cannot deal with the us thousand pound trade gorilla holds no weight in this era of competitive economic integration. The FTA is about strategy, attitude and aggressive market place execution, not minimalist econometric modelling.

For decades, US market access for Australian agricultural products has been a festering sore in the bilateral relationship. The invitation from the US Trade Representative to negotiate the FTA, at long last provided an effective venue in which Australia has been able to challenge the us and force them to provide greater market access.

The Howard Government, and Trade Minister Vaile in particular, is to be congratulated for having adopted an uncompromising stance towards our American friends—with demonstrable results, including reducing to zero immediately two thirds of agricultural tariffs, a date certain for free trade in beef, mutually sourcing off-season food supplies, and a plethora of further agriculture market access gains. Furthermore, had the FTA been in place there would have been no dispute over lamb in 1999, or steel in 2001.

Australian enterprises are already aligning themselves with financial houses for whom worldwide strategic engagement has become second nature. Our smarter education institutions are affiliating with well endowed US counterparts to achieve win/win outcomes in respective and third markets. Specifically, Australia's long experience in distance tertiary and vocational education bodes well for our penetration of this rapidly growing market in the US.

Australian expertise in outsourcing government services should provide our companies with a competitive edge in securing us federal and state level government procurement contracts. Servicing clients in both markets will be easier.

Australian enterprises already have the message to just get on with the job. Politicians should do likewise.

The issue flowing from close analysis of the detail of the FTA is not whether it should proceed, but identifying next steps to further improve Australians' prosperity through our economic relationship with the United States. There remains plenty of work to be done beyond the FTA, to achieve the sort of partnership with the US that will sustainably boost the robustness of the Australian economy.

Our nation's consequent ability to contribute to the development of our neighbourhood in Asia and the South Pacific is of vital importance.

Treasury officials correctly assert that Australia must "continue to develop a more innovative and dynamic society". To achieve this, Australia needs commercially literate legislation, a taxation regime promoting optimum economic (cash) returns, transparent entities which promote partnering behaviour, an investment climate supported by legislation reflecting sound economics rather than presumption of tax avoidance, and a culture where it is easier to do business.

The FTA fails to address people movements. This is due to the lack of, but the need for, US policy convergence between trade and homeland security. Australian officials must keep a close watch on us developments in immigration legislation to ensure that future bilateral people flows reinforce rather than conflict with trade in goods, services and capital envisaged under the FTA. Exclusion of people movements from the FTA has become a matter of trade policy principle in the US, and does not reflect specific concerns about Australia.

High performance enterprises are characterised by committed leadership teams who subscribe to values which, as individual members, each strives to embody. If the intangible value of enterprises increasingly reflects its people, it is predominantly in leadership qualities that differentiated positive value is generated.

Global competitiveness is fostered by the entrepreneurial spirit, inclusive and innovative cultures, and the ability to attract, develop and keep the best people. Accordingly, as a post FTA initiative, the Howard Government should immediately confront top level us policymakers to bring into effect trade and enterprise friendly policies which facilitate people movement.

The importance of education, science, training and technology to institutional and societal success demands the right organisational and managerial responses. Globalisation compresses time frames of economic development—it took 40 years for the first 50 million people to own a radio, 16 years for the first 50 million to own a pc, and just 5 years for the first 50 million people to be on the internet.

For global operators the challenge is not only to release creative energies in groups of like minded people, but to organise and inspire far flung colleagues from diverse cultural backgrounds. Sustainable communities thrive in values based cultures to which constituents comfortably attach themselves.

Alignment of enterprise stakeholder interests with wider communities is the challenge to leaders of capitalism in the early 21st century. This will be a critical success factor for global enterprises under constant pressure to find and exploit the high value added, high tech, high skilled, science driven products and services that are the key to wealth creation in the future.

In London on Australia day, British Labour Chancellor Gordon Brown told his transatlantic business audience, “there is no escape from uncompetitiveness by resorting to loss making subsidies, artificial barriers or protectionist shelters. Indeed, the price of failure is not a long period of slow decline but sectors going under all together.”

His prescription for delivering the next crucial ingredient for competitive success was, unremarkably, “a shared commitment to enterprise and wealth creation, and a determination to remove, one by one, all the barriers in its way”.

For Australian policy makers the challenge is to facilitate the pursuit of high national and enterprise performance, and simultaneously manage transformation in uncompetitive industries like sugar.

Policies addressing industry restructuring must embrace the principles of social responsibility and inclusion; in the case of the sugar industry, the challenge is maintenance of affected towns and institutions in North Eastern Australia and creation of new opportunities for their people.

As with dairy, restructuring of the sugar industry needs unity of purpose at the leadership level, not political point scoring.

With the FTA, Australian exporters will enjoy the lowest tariffs—and best access—to the largest market in the world. This is not only a plus for our exporters, but also a tool for investment promotion.

The FTA presents Australian enterprises with further opportunities to get on with what they do best---deliver competitive value propositions to the global market and greater prosperity to Australians at large; inculcate a culture of innovation; and embody Australia's destiny as a prototypical Eurasian nation enmeshed with our neighbourhood and beyond.