**The Hon John Brumby AO Chancellor La Trobe University Former Premier of Victoria « *Benefits of Sister Cities »***

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**Introduction**

Thanks for the invitation to speak this afternoon. And at the outset, let me congratulate Christina and the organising team for the brilliant job they have done in developing such an excellent Agenda for the Conference.

Could I also acknowledge traditional owners and pay my respects to elders past, present and emerging.

When I was Treasurer in 2005 *The Age* interviewed me about how our government was increasing opportunities for Victorian businesses in China. I said:

‘There have been a large number of ministerial visitations, there have been countless export and trade missions to China, from the automotive industry through to food and wine, we’ve had a large number of inbound missions from China and there’s been a huge amount of work done around our sister-state relationship with the Jiangsu province.’

That was an understatement.

The Victoria-Jiangsu sister-state relationship was established in 1979 under Premier Rupert Hamer, just one year after China’s leader Deng Xiaoping opened the Chinese economy to the world……an opening up which has boosted the world economy and which has lifted 700million people out of poverty.

As Treasurer more than two decades later I saw what a gift this relationship was to the people of Victoria as well as the people of Jiangsu……and I’ve been a strong supporter of sister-city and sister-state relationships ever since.

**Linking the world together**

The theme of your conference—‘Linking the World Together’—couldn’t be more timely.

Apart from the horrific global conflicts occurring in Ukraine and now the Middle East, a number of other recent trends seem to be forcing the world apart.

When COVID hit, borders shut, tourists stopped coming and many international students went home.

In the business world there was talk of ‘deglobalisation’ and ‘onshoring’.

Big geopolitical shifts prompted some countries to try to ‘de-couple’ from others and create a bifurcated world economy.

In January this year the IMF warned that ‘after several decades of increasing global economic integration, the world is facing the risk of policy-driven geo-economic fragmentation’—which is a bit of a mouthful but simply means we will likely end up trading in smaller blocs and investing less beyond our shores.

And even as the world needs more than ever to work together to tackle climate change, there’s talk about the ‘end of multilateralism’.

The good news is that national government to government relationships are not the only way we can ‘link the world together’.

People to people relationships are just as important—so are business to business relationships—and city to city relationships too.

That’s why Sister Cities Australia is so important.

For more than four decades you have brought together cities, towns, shires, and states that have a sister-city relationship, or want one.

These relationships are essential to Australia’s future in a world in profound transition—a world in which the challenges we face and the opportunities we can enjoy are global as well as local.

Today I want to talk about the benefits of sister cities in a world in transition……a world that some commentators have described as being in a state of ‘polycrisis’…..because of the profound challenges presented by geo-political and economic re-alignments, global warming and climate change, the AI and digital revolution and the largest number of stateless and displaced persons in the history of the world.

**Geopolitical transition**

The first major transition I want to talk about is geopolitical.

Since China opened its economy to the world in 1978, the world’s economic weight has shifted steadily to Asia.

China has been the world’s largest economy in terms of buying power for many years now. And despite some recent economic difficulties, China is expected to grow at 5.2 per cent this year, while the rest of the world is expected to grow by 3 per cent, and the US and Australia by around 1.8 per cent.

And it’s not just China—growth in East Asia and the Pacific is also expected to be around 5 per cent this year.

What does this mean? For Australia, it means two things.

One—there are tremendous economic opportunities in growing markets across our region.

But two—as tensions inevitably increase among previously dominant powers such as Europe and the US and rising powers such as China and India, Australia finds itself in a difficult position—linked historically in one direction, but geographically, economically and increasingly culturally in another.

In this context, there is an urgent need for Australia to strengthen relationships and connections on all sides, but increasingly with cities and provinces in our region.

And one of the best ways we can do this is through sister-city and sister-state relationships.

**Jiangsu**

As Victoria’s Treasurer and then Premier, I was a firsthand witness to this.

The Jiangsu sister-state relationship is Victoria’s oldest—our relationship with Aichi in Japan came one year later.

In 1987 Premier John Cain established the Victoria–Jiangsu Joint Economic Committee—a biennial forum to explore new areas of cooperation.

When I was Treasurer in 2003 I expanded the relationship and opened a Victorian business office in Nanjing, the capital of Jiangsu Province. In 2006 in turn, the Jiangsu government opened a Jiangsu Victorian Economic and Trade Office in Melbourne.

And in 2010, when I was Premier, we celebrated the 30th anniversary of the Victoria-Jiangsu sister-state relationship with events at Parliament House and Government House, including a visiting orchestra from Jiangsu.

This was an important day and a great celebration, but even more important are the many partnerships and exchanges and cooperative efforts that have come from the relationship.

To take just a few examples:

* Before COVID hit we received more than 50,000 tourists from Jiangsu every year.
* In 1998, Caulfield Grammar opened a campus in Nanjing, the capital of Jiangsu. Year 9 students can now live and study there for five weeks.
* In 2012, Monash University established a Graduate School in partnership with Southeast University in Suzhou, a major economic centre of Jiangsu.
* In 2014 Premier Denis Napthine created the Victoria–Jiangsu Regional City Alliance to connect regional Victoria with regional Jiangsu.
* There are now around 20 city to city relationships between Victoria and China, and a quarter of them are in Jiangsu.

We often talk in abstract terms about global trends like the rise of China or the economic shift to Asia—but sister-city and sister-state relationships help Australians to engage with the real people and the real communities behind these trends.

**The movement of peoples**

Another aspect of the geopolitical transition is a massive increase in the movement of peoples.

In part this is a function of a growing global population. In 1950 there were 2.5 billion people in the world—now there are more than 8 billion.

Some of the movement of peoples is due to war: according to the UN, the number of people fleeing war, violence and persecution passed 100 million for the first time last year.

Increasingly the movement of peoples is also driven by climate change. The International Environmental Partnership predicts 1.2 billion people could be displaced globally by 2050 due to climate change and natural disasters.

But there is also an increase in what some are calling ‘digital nomads’.

Put simply, more and more people can work from almost anywhere in the world.

The US author Parag Khanna in his book ‘Move’ writes: ‘Work has become remote, borders have reopened, and about one hundred countries now offer ‘nomad visas’ or residency-by-investment programs seeking to attract talent and wealth from around the world.’

He adds that: ‘Most of the free agents in this global lottery will be Asian. Representing more than half the total global population, it’s not hyperbole to claim that the future of humanity will be defined by Asian youth.’

I believe that as the movement of peoples comes more and more to shape the modern world, sister-city relationships can play a number of roles.

The reality is, most migrants end up in cities or towns. Sister-city relationships can serve as a link between migrant communities and their countries of origin, and at the same time new migrant communities can help to bring about new sister-city relationships.

For example, Melbourne has the largest Greek-speaking population outside of Europe. It’s no coincidence that we have had a fruitful sister-city relationship with the Greek city of Thessaloniki since 1984.

And as continued population growth and migration present challenges as well as opportunities, sister-cities can share ideas on how to meet those challenges.

For example, we have a housing crisis in Australia’s cities. At the same time, we have a particular history of how we build, where we build, and what kinds of housing we build. How do other cities do it? What works and what doesn’t? These questions should be on the agenda for sister-city discussions throughout Australia in the years to come.

Also, in a world of increased movement of peoples, sister-cities can facilitate some of that movement through exchange programs.

As you may know, Victoria’s biggest export is not coal or iron ore like some other states—it’s education.

I am currently Chair of the Victorian Government’s International Education Advisory Council.

In 2022, Victoria had almost 223,000 international students from around 160 countries. That’s 73 per cent of the pre-COVID number—and it generated $8.4 billion in revenue for Victoria.

As I have said many times, international education is not just our biggest export earner and a massive job creator—it also increases the diversity of our student populations, enhances skills and capabilities, builds friendship and connections…..and lays the groundwork for business and diplomatic relationships in the years ahead.

And sister cities are in an ideal position to support the international education sector through student exchanges with their partners throughout the world.

In this way they can give the gift of international exposure to their own young people, and introduce other young people to Australia.

**Environmental transition**

But let me turn to the environmental transition…..and why this should also be a central element of focus in sister city relationships and dialogue.

We know that climate change is the biggest threat humanity has ever faced. And we also know that it is a global problem—we are truly all in this together.

At the same time, many of the solutions are local, or at least start out local—and cities have an essential role to play in shifting the world to a sustainable future.

Sister cities can have a multiplier effect on successful ideas.

To take just one example, in 2017 the Victorian Government and the Jiangsu Provincial Government signed a Memorandum of Understanding on improving urban water management.

In Australia we have a concept called ‘Water Sensitive Cities’ which refers to places where technology can be used to capture and manage water—particularly in flood-prone areas—and to use it for social and ecological purposes.

In China they have a more colourful name for this—‘sponge cities’.

Australia’s Cooperative Research Centre for Water Sensitive Cities is working with the Jiangsu City of Kunshan on a Jiangsu-Victoria Sponge City Innovation Park—10 hectares where new water technologies can be developed, tested and promoted.

As cities continue to respond to climate change, sister-cities can share ideas on renewable resources, recycling, electric cars and the infrastructure required to support them, and more.

**Technological transition**

Which brings me to the final transition I want to mention today—the technological transition.

This is happening faster than at any time since the Industrial Revolution—and it will change the world just as profoundly.

Many of us will be familiar with ‘Moore’s Law’. In 1965 Gordon Moore, the founder of Intel, predicted that every two years the number of transistors that could fit on a silicon chip would double—and he was right.

On the 50th anniversary of ‘Moore’s Law’ Intel engineers calculated what would happen if a 1971 Volkswagen Beetle improved at the same rate as microchips did under Moore’s Law. Today, the car would drive at 300,000 miles per hour, and get two million miles per gallon of petrol.

This incredible development of computing power has led to another new phenomenon: big data.

Three years ago the Yale University academic Jill Capotosto wrote that ‘in 2020, there are already more than *40 times* more bytes of data than there are stars in the observable universe (a number that tops *one billion trillion*).’

Capotosto predicts that ‘by 2025, the global digital datasphere will grow to a whopping *175 zettabytes*—equivalent to 175 trillion gigabytes, or 175 sextillion bytes, of digital data.’

Big data is what powers Artificial Intelligence. The bigger the data pool, the more powerful the AI. If you haven't used Chat GPT, for example, you should…….just to understand the power of generative AI.

There is a huge potential upside to AI. Imagine if your doctor could examine a billion other examples of people with your presenting symptoms. An AI system will be able to do this in seconds. Combine this with revolutionary new medical approaches such as mRNA….and the transformation of medicine and personalised treatment becomes very real, very soon.

But there are also risks.

Tony Blair recently said about AI: ‘I think it is on a par with the 19th-century Industrial Revolution … How does government need to approach it? It needs to understand it, master it and harness it. Access the opportunities, mitigate the risks.’

This is a task that sister states and sister cities can share—how can we use AI to benefit our communities, enhance our education and health care, better support older people in their homes…..the list is endless. While all jurisdictions stand to benefit from AI, none is immune from the risks.

**Conclusion**

To conclude. The words ‘September 11’ have a dark meaning in the US today. But on another September 11, many years before the terrible attacks on the Twin Towers, President Dwight D. Eisenhower addressed the 1956 ‘People-to-People Conference.’ He said:

‘If we are going to take advantage of the assumption that all people want peace, then the problem is for people to get together and to leap governments—if necessary to evade governments—to work out not one method but thousands of methods by which people can gradually learn a little bit more of each other.’

This was really the start of the sister cities movement, and it’s still going strong today.

Incidentally, that very same year Melbourne hosted the first Olympic Games outside of Europe or North America, so we also learned a thing or two about connecting with other people and cultures.

Today Australian cities and towns have over 550 sister city affiliations throughout the world—and the number is growing.

This is a very positive phenomenon in a world in which people still need to ‘learn a little bit more of each other.’

All the best for the rest of your conference today and for all your sister relationships in the coming years.

Thank you.