



The rule of law matters in US-Australian relations

For the past decade, the United States has topped the “league tables” in foreign direct investment in Australia. The enormous investment flow has spanned multiple industry sectors and geographic locations. As a global law firm with substantial deployments in both countries, we at K&L Gates take great pride in the strength of the economic ties between the US and Australia.

Beyond these economic bonds, we also reflect upon our nations’ shared belief in the Rule of Law. Both societies believe passionately in fair and open systems of justice and in values that honour individual rights and economic freedom. Our joint commitment to free enterprise as central to the efficient allocation of resources and economic growth could not exist absent the Rule of Law. Caprice -- the mortal enemy of the Rule of Law -- undermines both individual and economic freedom.

Like other living things, the Rule of Law must be nourished through thick and thin. We live in a world in which many ascending economic powers have no like tradition, and forces often times emerge in the marketplace that can cause an erosion of the Rule of Law. An obvious example concerns varying degrees of respect for intellectual property rights, but in fact the range of challenges to the Rule of Law extends well beyond the headlines cases.

Both Australia and the US owe their British forbears a debt of gratitude for a wonderful shared language -- though that might not be

evident in every conversation! And we are in their debt for the extraordinary legal tradition that they have conferred upon both societies. The common law is a moderating influence in a world otherwise characterized by impulse and force. With the passage of time, the common law has supplied the rules of the road for orderly society -- one in which duties to and rights of others are respected.

The Rule of Law, however, has longer roots than the common law. The notion that the most powerful members of society must be constrained by law has ancient antecedents that precede even the Magna Carta. We need always to remember this history, as some of the societies that helped to fashion the concept have in more recent times abandoned it. The Rule of Law requires missionaries in this generation and every other.

That’s where the legal profession comes in. The Rule of Law has no more faithful adherents than the Australian and American legal professions. With both word and deed, lawyers in our countries work assiduously to uphold a legal tradition against global forces that regard it as a needless extravagance or a roadblock to achieving desired outcomes through main force. In every legal engagement, the stakes are large not just for the parties but also for society generally.

The meeting of the Group of Twenty is a reaffirmation of what unites peoples around the world -- the challenges as well as the opportunities. Not all G20 member states embrace the Rule of Law as we understand it, but they all have lawyers who, no less than the

feudal barons on the Plains of Runnemede in 1215, must strive to constrain unbridled power by subjecting both the powerful and the weak to the same rules and processes of justice.

As the American Chamber of Commerce in Australia marks the occasion of the G20 meeting, we can view the American investment in Australia as not only sound business but also as a resounding validation of the Rule of Law. Two societies that share this framework can do business with each other in confidence that the rules of the road will be adhered to by one and all. In a dangerous world, we should celebrate this kinship.

*Peter J Kalis is Chairman and Global Managing Partner, K&L Gates LLP. Mr. Kalis, was recognized in the August 2013 issue of The American Lawyer magazine as among 50 innovators who have dramatically shaped the global legal industry over the past five decades. Mr Kalis was one of a dozen law firm leaders cited by the magazine as “master strategists” and the publication specifically noted Mr Kalis’ leadership in making K&L Gates the first financially transparent US law firm. K&L Gates represents leading global corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals. K&L Gates LLP comprises more than 2,000 lawyers who practice in fully integrated offices located on five continents including North America, South America, Asia, Australasia and Europe.

Global platform

Global legal counsel across five continents

10 offices and more than 300 lawyers in Europe and the Middle East

11 offices and approximately 400 lawyers in Asia Pacific

Offices coast to coast with more than 1300 lawyers in the Americas



Top 10 firm

K&L Gates not only is one of the largest firms in the United States. Our offices in the Asia Pacific market, Australia, Germany, the Greater China market, Japan, the Middle East, Poland and the United Kingdom all rank in the top 10 of U.S.-based firms in those markets. No other law firm can say this.



“At the end of 2013 the US was ranked as our third-largest partner for two-way trade at almost \$55 billion worth of goods and services, and ranked first for two-way investment with over \$1.1 trillion of investment between the two of us.” –David Johnston, Australian Defence Minister.