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## Albanese Stands Firm on Palestine Despite Trump Tariff Threats

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Prime Minister Anthony Albanese asserts that potential United States (US) tariffs will not deter Australia's push for Palestinian statehood, emphasizing a two-state solution as key to Middle East peace.

Prime Minister Anthony Albanese has declared that Australia's foreign policy on recognizing Palestinian statehood will not be swayed by threats of trade retaliation from US President Donald Trump. Speaking on August 4, 2025, Albanese stressed that Australia, as a sovereign nation, makes its own decisions, rejecting concerns that aligning with nations like France, Canada, and the United Kingdom (UK) in supporting Palestinian statehood could strain trade relations with the US. He underscored Australia's long-standing commitment to a two-state solution, viewing it as essential for lasting peace in

the Middle East, and dismissed Hamas, a designated terrorist organization, as having no role in a future Palestinian state.

The announcement follows Trump's warning that countries recognizing Palestinian statehood could face trade penalties, with Canada recently hit by a 35% tariff after its pledge to support Palestine at the United Nations (UN) General Assembly in September. Albanese, however, remained steadfast, noting discussions with Israeli Prime Minister Benjamin Netanyahu to reinforce Australia's position. Former Foreign Minister Bob Carr, who joined a recent Sydney Harbour Bridge protest, criticized Albanese's cautious approach, arguing that delaying recognition makes Australia appear hesitant on the global stage. Carr urged sanctions against Israel to address the Gaza crisis.

Within the Labor Party, backbencher Ed Husic pushed for immediate recognition, citing strong public support and the humanitarian crisis in Gaza, where over 58,000 deaths have been reported since October 2023, according to Gaza health authorities. Opposition voices, including Liberal Member of Parliament (MP) Julian Leeser, argued that recognizing Palestine prematurely could undermine peace negotiations, emphasizing that statehood should follow, not precede, a final agreement. The Zionist Federation of Australia echoed this, with President Jeremy Leibler welcoming Albanese's assurance that recognition is not imminent.

Foreign Minister Penny Wong described Palestinian statehood as a matter of "when, not if," signaling ongoing diplomatic efforts, including talks with UK Prime Minister Keir Starmer. Albanese's government faces pressure to balance domestic expectations with international alliances, particularly as Trump's tariffs, potentially rising to 15%, loom over Australia's \$37.5 billion export market to the US. The Prime Minister's focus remains on securing a ceasefire and ensuring Gaza's reconstruction without compromising Australia's economic interests.