The fall and fall of China relations

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The Australia-China relationship is at its lowest point since diplomatic relations began 46 years ago. This is something the Australian government doesn't wish to discuss. Its diplomats are paid to put a positive spin on things. Elements of the conservative populist media almost rejoice in this state of affairs.

These days official contact at the national level has effectively been frozen. This is what China does to show its displeasure. The last bilateral visit was when the Chinese visited Australia early in 2017.

Ever since Bob Hawke embraced China's vision of reform and understood what it could mean for Australia, both sides had endeavoured to maintain annual high-level exchanges. Never before has Australia been denied access to the highest levels of the Chinese political system as it has been for the past nearly three years.

Prime Minister Scott Morrison's <u>recent meeting in Jakarta</u>, on the sidelines of the inauguration of the Indonesian President, with Vice-President Wang Qishan, does not mark a thaw. Wang is only number four in protocol order. More importantly, he is not a member of China's key ruling group, the seven-member Standing Committee of the Central Committee's Politburo.

It says much about the relationship that this was the best Australia could achieve for a recently elected prime minister of Australia. For the obsessively protocol conscious Chinese government, it was just short of giving Australia a diplomatic rhubarb.

Within the small and tight Canberra policy circle, where the security-intelligence-military establishment dominates China policy, this might be seen as a badge of honour. The prevalent view is that Australia needs to do nothing to restore more normal and constructive relations with China.

The China Threat

Australia is said to be in nothing less than a long-term struggle with China to define the future terms of the relationship. Businesspeople who urge the

government to do more to improve relations are casually dismissed as selfserving, as if concern about the economic impact of a dysfunctional relationship were illegitimate. Academics are simply naïve, or worse.

In this view, China is seen as the cause of protracted difficulties in the relationship through its aggressive <u>behaviour in the South China Sea</u>, bullying of other states – as it is doing to Australia and other neighbours with which it has disagreements – purported cyber-attacks by state-sponsored actors, technology theft, and political interference in domestic politics and on university campuses.

These are the external and internal elements of the China Threat which reinforce each other to create a powerful narrative. The domestic dimension feeds the narrative that China must be pushed back in foreign policy and bad behaviour by China internationally is used to support the need for greater vigilance domestically.

The narrative has been used to justify one of Australia's more spectacular own goals in foreign policy when it introduced a blanket ban on the Chinese telecoms company Huawei participating in any aspect of building the 5G network, something most others in the Five Eyes have not done. Germany, whose Chancellor's personal phone was hacked by the US, has said that Huawei is welcome to participate.

It may or may not be technically feasible to protect the sensitive elements of the network but there was no need for Australia alone to make Beijing lose face, set off a populist nationalist reaction, and deny itself potential commercial benefits.

The China Threat narrative in Australia has pushed policy to the fringes internationally. At the Commonwealth level, Australia views Beijing's Belt and Road Initiative as an attempt to impose a Sino-centric order on the world. Much of the rest of the world is more open to its potential benefits, while of course being alert to its potential risks.

Some 152 countries, including 18 in Europe, have signed relevant memoranda of understanding to participate in the BRI. International bodies, including United Nations agencies, also participate. BRI is a loose association established by non-binding memoranda of understanding. They impose no binding obligations on signatories or involve surrendering any sovereignty. Opposition to BRI in Australia is principally ideological.

To advance Australia's interests internationally requires either China's support or acquiescence.

The <u>Andrews government in Victoria</u> should be congratulated on having the clear-eyed vision to recognise that BRI poses no threat to Australia's national interest and offers potential benefits to Victoria. The more Canberra's position is at odds with reality, the more likely it will be that other state governments will follow Victoria's lead.

With bilateral trade at a record level, it may seem that the current state of bilateral relations holds no consequences for Australia. But the relationship with China is not just about trade, although that is a key national interest.

To advance Australia's interests internationally requires either China's support or acquiescence, be it climate change, energy security, disarmament, anti-piracy efforts at sea, and other asymmetrical security threats including peoplesmuggling.

If we wish to reflect the Australian community's concern over Hong Kong, if that should become necessary, or over human rights of the Uighurs and other ethnic minorities, at present we have nothing other than megaphone diplomacy, which is usually counterproductive. It is time for diplomats to be put back in charge of our foreign policy on China.

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