China is opening the door. Will Australia walk through it?

by **Geoff Raby**

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The Financial Review's interview with a top Chinese diplomat would have been approved at the top. The Morrison government is obdurate if it does not take up the gesture.

It is not often that a column by an Australian journalist is published in full, in Chinese, in China, especially only a day after its publication in Australia.

It is even more remarkable as the journalist has just been bustled out of China and now faces the prospect of not returning. <u>But the interview this week</u> by *The Australian Financial Review*'s China correspondent Michael Smith with the former Chinese ambassador to Australia, Fu Ying, has achieved just that.

The reprinting of the interview in the online journal, *Observer*, is official endorsement of Fu's comments. Not that there should have been any doubt about that. Her written answers to Smith's questions would have been cleared at the most senior levels of China's Foreign Ministry, if not within the leadership compound of Zhongnanhai itself.

This is the second official conciliatory statement from China in as many months, following that made in late August by the deputy heady of mission at the Chinese embassy, Wang Xining. Taken together, they represent clear evidence that China is looking to put a floor under the continuing downward spiral in the relationship.

When asked by David Speers on the ABC's *Insiders* program two weeks ago whether the government was looking for a circuit breaker, the Prime Minister's response indicated that this was an entirely novel idea. It would be a pity if the government did not recognise that a considerable gesture in this direction has now been made by Beijing.

Forget Fu Ying's reassurances that trade continues, and decoupling can't happen because the profound complementarities between the two economies will ensure enduring deep interdependence. These are commonplaces that Australian business, unlike strategic policy advisers, understands. The forlorn outlook for India as it struggles unsuccessfully with COVID-19 only reinforces this assessment.

In the face of what everyone knows to be true, it is her statement that relations are not frozen and ministerial level contact has not been blocked that is most noteworthy. It is clearly absurd. She knows otherwise. Trade Minister <u>Simon Birmingham never tires of confirming the freeze</u>, albeit in the most balanced and polite terms possible, given the circumstances.

If the fiction that China has not rejected ministerial approaches is maintained, then no backdown is required. If there's nothing to change, then there is no loss of face for either side. This is important and needs to be understood on the Australian side. In terms of diplomacy with China, it is a big conciliatory gesture to open the way to reengagement.

Ministerial-level contact needs to be resumed before engagement can occur on issues of mutual interest and concern. Ministerial discussions are a necessary precursor to leader-to-leader talks. Meetings between leaders are essential to getting things done. Such is the hierarchical structure of the Chinese political system.

Australian response

Whether Canberra wishes to find a way back to some normalcy in the relationship – such as all other countries maintain – is, however, moot.

China's recent effort with Xining's speech was rebuffed. The day after his Press Club appearance, the Scott Morrison announced a proposed Foreign Relations Bill intended to ensure Commonwealth primacy over the states in foreign relations.

China is the main target and, specifically, the Andrews government signing <u>Victoria up</u> to some <u>Belt and Road MOUs</u>. The Prime Minister has even promised to "tear up" retrospectively certain agreements. Universities have also been caught up in this, with Confucius Institutes and scientific collaboration agreements the prime targets.

Since the opposition is like a rabbit in the headlights over China, it is not possible to probe the government to understand if the timing of the announcement was a deliberate conscientious reaction to Beijing's overtures, or just one of those Canberra things where an announcement had been programmed into the diary and no one thought about the broader foreign policy implications of continuing with it at that time.

That it was calculated, rather than inertia, is however consistent with the government's tactical approach over the past six months of finding issues with which to hit back at China. This particular one, also served the dual purpose of taking on the Andrews Labor government in Victoria.

Beijing has usually cut Canberra a fair bit of slack for its tin ear when it comes to subtle diplomatic messaging, which some might otherwise see as obduracy. The

government's response to Fu's comments will be telling as to whether Canberra intends letting the relationship languish as a conscious policy choice. Those who understand that economic security is a cornerstone for national security will closely scrutinise the government's response.

The timing of Fu's comments may also not be accidental, with Foreign Minister Marise Payne in Tokyo for a meeting of the Quad group, which the US Secretary of State has now declared is intended to not only contain China but to push back against it. Our Foreign Minister should carefully note Fu's statements when deciding how far Australia will go in being a cheer leader for the bellicose Mike Pompeo.

It is consistent with the quirkiness of diplomacy that a journalist so recently harried out of China has been chosen to be a vehicle to pave the way to bring the two sides back towards some sort of constructive official engagement.

It is also a good example why foreign policy is too subtle and nuanced to be allowed to be subsumed by rigid ideological positions, flat stereotyping, and weaponising by the security and intelligence establishments and the think tanks they feed. Australia's interests require diplomacy to return to the driver's seat of Australia-China relations.

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