

# Australia has made itself an outlier in its dealings with China

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*Our inability to chew diplomatic gum and walk at the same time has left us on the outer even amongst a host of other nations that have trouble with China.*

The Prime Minister's [dash to Japan to meet the new Japanese Prime Minister](#) – the first foreign leader to do so – should be welcomed.

It is unusual in terms of diplomatic protocol for an established leader to visit a newly appointed leader, not the other way around, unless it is the US for which normal protocol seldom applies.

Far from being seen as kow-towing to the Japanese, Morrison's visit has however underscored how much the world has changed around Australia.

It is also a further example of how Australian foreign policy has started to notice this fact and the need for Australia to adopt more realist positions in foreign policy.

The embrace of Vietnam – a communist, one-party, authoritarian state with a deplorable human rights record – is another. These adjectives could, of course, be used to describe another major state in East Asia.

The [defence arrangement \(it is unclear what instrument exactly was signed\)](#) seems not to add much in substance to what has already been announced or is under way.

The thorny issue of capital punishment for ADF personnel if found guilty for crimes committed in Japan that carry the death penalty seems not have been resolved. Opposition to capital punishment remains an important Australian value. It will be interesting to see how the government manages balancing our values and interests in this particular case.

Still, what matters more is the symbolism and clearly China's vitriolic response indicates that it has not been lost on Beijing. The East Asian region is now one of many moving parts, all set in motion by China's ascendancy and America's turn inwards.

After years of being rejected by India from participating in the [trilateral annual naval exercises, Malabar](#), Australia has now been let in, presumably as part of India's strategic messaging to China following their mid-year clashes in Ladakh.

As a result, the Australian Navy finds itself exercising in the Bay of Bengal and the Arabian Sea, far removed from areas of strategic sensitivity in East Asia.

Nonetheless, the Quad has now been militarised which will further add to Beijing's sense of insecurity and support the hawks' assessment that Australia is bent on containment of China. The Prime Minister's rush to Tokyo will be interpreted by Beijing as reinforcing this view.

This will most certainly crowd out any attention that the Treasurer's conciliatory remarks towards China may have received from his speech in recent days acknowledging China's success in managing the pandemic and returning to robust economic growth. As Australia looks to its own economic recovery, China's will be of fundamental importance for the Treasurer.

Also the past week, we have also seen states in East Asia engaging and hedging with China.

[The Regional Comprehensive Economic Partnership \(RCEP\)](#) was signed finally after eight years of negotiations. It includes all the major countries of the region. India's absence reinforces the minimal interests India has in East Asia and the converse, namely, that East Asia is the only security system in the region that matters.

Indicative of declining US engagement in the region, RCEP is the second major piece of regional architecture to be created without the US, following the Asia Infrastructure Investment Bank (AIIB) in 2014.

The US had been a founding member of the TPP but withdrew after the election of President Donald Trump. It is not evident that a Biden administration will return to the TPP.

So the region continues to reshape itself to declining US engagement and China's rising power.

When many pieces are moving, it is challenging for diplomacy and strategic missteps in timing and substance are an ever-present reality.

Just as the Prime Minister was leaving Japan, the Chinese Ambassador to Tokyo was sounding conciliatory on the fractious Senkaku/Diao Yu Dao Islands dispute and progress was announced on the Japan-China-South Korea free trade negotiations.

Tokyo and Beijing are busily recalibrating their relationship through further engagement ahead of the change in administration in Washington.

In contrast, [Australia has made itself an outlier in its dealings with China](#). This is an inconvenient truth that no amount of feigned or even real indignation coming out of Canberra over China's actions should be permitted to conceal.

Australia is most certainly not alone in having important and complex challenges to address with a rising and assertive China.

If we were, the current dire state of our relationship would be just something we have to live with, as senior ministers suggest.

The policy failure is that among all the many countries, both in our region and beyond, which are concerned about China's behaviour, we have not been able to walk and chew gum at the same time.

Protecting Australia's interests involves not only hardening defences against an overreaching China, but also maintaining relations with the dominant power in the region.

We have opted for strategic competition with China at the cost of strategic co-operation where it is in our interests to do so.

In the region, Australia's values and democratic institutions are not the only ones that sit at odds with China's. New Zealand for one faces all of the challenges that Australia does, but still manages to maintain constructive diplomatic relations, including high-level visits during the period in which Australia has been frozen out.

But no country more than Japan has to balance deep historical animosities, ongoing territorial issues, contingent geography, and deep economic interdependence.

Yet Japan still maintains normal diplomatic relations and engagement, including the presence of a substantial contingent of its media in China. Xi Jinping was to have visited Japan in April this year until COVID intervened.

Some commentators, including in these pages, seem not to understand the difference between being alone and being an outlier.

Australia is definitely not alone but is certainly an outlier. It is to be hoped that Prime Minister Morrison used some of his time last week with Prime Minister Yoshihide Suga to seek guidance on how to manage its various interests with an assertive China and avoid the binary choice of sycophancy or hostility which is how Australia's China policy is now framed.

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