

# Building engagement with China



**Chair of the Australia-China Council Warwick Smith, left, asks: As the public service looks to identify cost savings and reduce resources, is it in the public interest to continue to fund public diplomacy initiatives? And what do they actually do? Are Foreign Institutes and Councils such as the Australia-China Council (ACC) autonomous from government, or are they intended to implement government policy?**

China was just emerging from the aftermath of its ‘Cultural Revolution’ and tentatively establishing relationships with foreigners when the Australian Government established the Australia-China Council in 1978. The ACC was established after Australia’s first Ambassador to China, Stephen Fitzgerald, wrote to the then Foreign Affairs Minister, Andrew Peacock, about the need to better understand China. In his letter, Fitzgerald said:

‘China is not a habit of mind for Australians. The spread of Chinese influence is a process we do not understand. There is, of course, intrinsic worth in the understanding of Chinese culture for its own value. But the purpose of this dispatch is to suggest there is a very specific Australian interest in the promotion of what is broadly described in China as cultural exchange. Without this, our relations with China will never be more than superficial, and we will be damagingly ill-equipped to adjust to a China dominant in our region.’

In 1978, Australia trade with China was limited. Now, it is our largest trade partner and largest export market, with Australian goods and services exports to China first surpassing \$100 billion in 2013. Australian iron ore, coal, and minerals exports play a critical role in China’s modern day economic transformation and in its current urbanisation drive. Chinese consumers also value quality Australian produce such as red

meat, dairy and wine. China is Australia’s largest source of international students. With more than 120,000 Chinese studying in Australia, education is our fourth largest export (see ‘Slippery slope?’, page 6 – and ‘Educating the world’, page 46). Chinese tourists spend more on average than any other and forecast to grow strongly to 2020.

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Our trade and investment links with China are a success story that has helped ensure the enviable prosperity of all Australians and helped us navigate the turbulent waters of the Global Financial Crisis. But expanding our relationship with China meaningfully needs to be about more than money. Australia’s ability to sustain and grow our engagement in business, education, science and arts – coupled with an effective and appropriately-resourced policy – are essential to enable us to develop deeper people-to-people links and the greater mutual understanding necessary for putting our bilateral relations on an even more substantial basis. This is where the ACC comes in.

## ACC’s role

The ACC’s purpose is to promote mutual understanding and foster people-to-people relations between Australia and China.

It is a unique Australian institution because it combines the independent cross-sectoral expertise and advisory capacity of its board with a policy-making and management base in Department of Foreign Affairs and Trade (DFAT).

The Council makes recommendations to the Australian Government on strengthening the Australia-China relationship in ways that support Australia’s foreign and trade policy interests. The ACC’s six strategic goals are to:

- Strengthen the foundation of engagement – China literacy, business and cultural capabilities of Australian institutions and people.
- Seek and foster new areas of engagement between Australia and China across business knowledge and creative solutions.
- Enhance understanding in China of Australian society, economy, politics and culture through the Australian Studies in China Program.
- Showcase Australian creativity, entrepreneurship and innovation in China.
- Generate, disseminate and make accessible, high-quality, relevant and up-to-date information about Australia-China relations.
- Facilitate dialogue, develop professional and institutional networks between our countries and harness the leadership of Australian communities in strengthening bilateral connection.

*Continued.*



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**KNOWLEDGE** ACC promotes people-to-people, education and business links between Australia and China

One of the principal roles of the ACC is to provide seed funding to a range of innovative projects across China, Hong Kong, Macau, Taiwan and Australia. The ACC funds approximately \$700,000 worth of projects via grant funding each year; in 2014–2015, 33 projects in education, business, arts, culture and Australian Studies.

The amount of funding provided is usually only a part of the total required to fund the projects. But ACC funding for projects is significant because its endorsement conveys considerable caché. Since it began, ACC has helped launch hundreds of bilateral collaborations and programs that have helped make our relationship with China a success.

Some of these initiatives include:

- BHP Billiton Chair of Australian Studies at China’s Peking University. It was established in 2012 and the current occupant – Professor David Walker – acts as an ambassador for Australian higher education and research and

provides academic leadership to more than 30 Australian Studies Centres throughout China.

- The Foundation for Australian Studies in China is a unique national partnership between business, government and education sectors created to support the BHP Billiton Chair of Australian Studies and which works collaboratively alongside the ACC.

**Each year, the ACC receives hundreds of applications for projects to enhance bi-lateral relations.**

- The Australia–China Youth Dialogue was relatively unknown five years ago when the ACC first provided modest funding. Now, it has over 5,000 members and has become a premier event on the bilateral calendar that connects emerging

Australian and Chinese leaders at an intensive conference and leadership development program, held over a week.

The Warburton Arts Project’s ‘Tu Di Shen Ti/Our Land, Our Body’ touring exhibition of China was the largest showcase of Australian Indigenous art ever presented in China, touring its regions over several years. It enabled Chinese people to view and engage with Australian Indigenous art in a unique way. Chinese children from high-urban density cities were entranced by some of the contemporary Indigenous audio-visual imagery set in the sparse Australian outback.

- ‘A Golden Age of China: Qianlong Emperor (1736–1795)’ exhibition at the National Gallery of Victoria. Emperor Qianlong was China’s foremost art collector and this exhibition will showcase more than 120 works from the Palace Museum’s collection.
- Australia–China Achievement Awards – a program launched by ACC last year – celebrates the creativity and entrepreneurship of Australian organisations and individuals in engaging with China. Prime Minister Abbott announced the winners of the ACC’s inaugural Achievement Awards during the Address to Parliamentary Dinner for Chinese President Xi Jinping, at Parliament House. The awards celebrate successes of Australian organisations and individuals in advancing Australia–China relations.



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**WARM GLOW** The Sydney Opera House is lit in red at night to commemorate Chinese New Year

Each year, the ACC receives hundreds of applications for projects to enhance bi-lateral relations. To help guide applicants, the ACC has articulated three main funding priorities for its grants program – education, economic diplomacy and arts and culture.

These areas are identified in the ACC’s strategic plan to 2018, which sets out the role and direction for the ACC in taking forward the bilateral relationship at a time when Australia’s relationship with China is growing rapidly and deepening.

In 2015-16 ACC will seek out innovative ideas to support the Australian Government’s economic diplomacy agenda – particularly business opportunities flowing from the China-Australia Free Trade Agreement or ChAFTA (see *‘Fruitful regional harvest’ page 20*) – an historic agreement providing unprecedented opportunities for Australian business, of which the ACC will help promote understanding.

Given the ACC’s role in promoting people-to-people, education and business links between Australia and China, we will also find ways to actively support the New Colombo Plan, which in 2015 will be rolled-out in China for the first time.

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**Board’s role**

One of the main roles of the ACC board is to connect ideas, programs, people and networks to achieve the best outcomes for Australia’s relationship with China.

Board members also act as ambassadors for advancing Australia’s engagement, regularly representing the ACC, government and Australia at major events. Last December I travelled to Beijing to be part of the inaugural High-Level Dialogue with China, where I spoke about the trajectory of the bilateral

relationship and its elevation to a comprehensive strategic partnership.

The Australia-China relationship is presently at an historic high, following the positive momentum surrounding the Prime Minister’s April 2014 visit to China and ‘Australia Week’ there, plus President Xi Jinping’s state visit to Australia and address to parliament and the conclusion of substantive negotiations on ChAFTA.

While the ACC does not claim all credit for the successes in the bilateral relationship, it has made a significant contribution to building ‘soft power’ foundations of the relationship, deepening people-to-people links and fostering a more positive and sophisticated understanding between the people of Australia and mainland China, Hong Kong, Macau and Taiwan. The ACC’s activities have been successful in building connections between civil society organisations, and showcasing Australia’s vibrant democratic and multicultural society. **T**

*Warwick Smith, is Chair of the Australia-China Council.*