

Rethinking Australia's relationship with China

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Australia needs to rethink its relationship with China. In addition to small but important policy changes, this also means thinking big — strategically and for the long term. It is an undertaking that requires the full engagement of Australian society: politicians, public servants, military officers, business leaders, educational institutions, youth groups and community associations.

China matters to Australia.

Australia is the G20 country that is most dependent on China in terms of export revenue. Nearly one-third of Australia's exports by value are sold to China. Chinese tourists are the largest group of visitors coming to our shores — more than 1 million each year — and the biggest spenders once they get here. An estimated 54 per cent of Chinese demand for iron ore is met by Australian exports. Nearly one-fifth of Chinese students abroad choose Australia as the place to pursue their studies.

Chinese immigrants have been part of Australian society since the early 19th century. Today there are 482,000 Australian residents who were born in China and Mandarin is the second most commonly spoken language. Over the past four decades, 115 sister-city and sister-state relationships have formed between Australia and China; the list even includes a partnership between Wagga Wagga, a town of 63,000 residents, and Kunming, a provincial capital with 100 times that population.

But there are also downsides to closer interaction: the Chinese government can exert pressure on our political leaders and citizens to accept its point of view, sometimes in ways contrary to Australian values. For example, the Chinese government is known to monitor Chinese visitors to Australia and even Australian citizens of Chinese descent—such as Chinese international students or adherents of Falun Gong—as to their activities which might run contrary to Chinese interests.

So is Australia ready for a future where China presents enormous opportunities and challenges for Australians, and what would it look like?

Making China the focus of a regular whole-cabinet meeting would be a start. A meeting of this kind, which would focus on a comprehensive approach to China, has not been convened for over a decade. While the Australian government's National Security Committee has approved a new China strategy, it is imperative to bring together all

federal ministers together to exclusively discuss China. Key federal government department secretaries, in turn, should regularly focus on China.

Second, Australian businesses and state and federal governments should jointly support the establishment of a long-term, extensive exchange program for the next generation of Australian and Chinese rising stars. Australian participants should be senior state and federal officials, promising backbenchers and future CEOs, among others. China's participants should include vice-governors and provincial deputy party secretaries, deputy mayors of major Chinese cities and future business leaders.

An intensive exchange program would provide firsthand experience of both countries' political and economic landscapes and create professional networks and personal friendships. For Australians, it will mean interacting with men and women who will rise to paramount positions of power in China in the next 10 years. It is in Australia's interests that at least one of China's top leaders in 2027 has an intimate knowledge of Australia.

Third, Australia needs a peak national body with a mandate to advance the Australia-China relationship as it enters an unpredictable and challenging era. This organisation should serve as an honest broker and a reliable safety net, even when inevitable tensions put enormous pressure on the relationship. With people-to-people ties as its focus, its activities should include a national lecture series, workshops, retreats and educational programs in Australia and China. It should draw together the experience and knowledge of the innumerable Australians and Chinese who have created the remarkable dynamic between the two countries over the years.

Such an organisation would be useful to Australia because it would offer a trusted yet unofficial forum where visiting Chinese leaders could engage with Australian experts and the broader public. It could even assume responsibility for the Australia-China High Level Dialogue and other fora to ensure frank discussions in an informal setting. Its funding should derive from both government and private sources. Strong statutory regulations and a mandate for autonomy should be implemented to keep this body independent of either government.

Fourth, Asian literacy needs to be institutionalised. Learning about Asian cultures and societies should be made compulsory as soon as Australians start school. This initiative is not merely about learning Asian languages — though this is a critical component. Rather, this big idea aims for every Australian child and young adult, regardless of their talents and particular path, to gain a deeper knowledge of the cultures and societies in Asia — Australia's home region. An Asian literacy course should also be compulsory for all university undergraduate students.

This will prepare Australians for a future in which Asia, particularly China, will be of overwhelming significance. It could also counter potential xenophobia and racism that is grounded in ignorance.

The educational policy need not focus specifically on China. But a richer understanding of Asian cultures and societies will inescapably generate a deeper appreciation of China's historically prominent influence as well as its role and ambitions in the region today.

But thinking big is not enough. Big ideas demand leadership, determination and a long-term vision. A strong endorsement from Prime Minister Turnbull for a new approach to China is imperative, but even that is not enough. Ultimately it is up to leaders and citizens across society to transform Australia's engagement with China. That begins with understanding that China is increasingly important for the things that Australians value most: principles, **prosperity and security**.

For Australia, getting China right is more important than ever before.

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