

Media Roundup Issue 15 (08/04/17 – 13/04/17)

1. Donald Trump's big Syria disruption was a much-needed diversion for a summit with no strategy

10/04/2017 Bates Gill Sydney Morning Herald

The leaders of the world's two most powerful nations both came out winners from their weekend summit – but for reasons that had little to do with the substance of US-China relations. For that, Australians can rest somewhat easier – at least for now.

For Chinese President Xi Jinping, the summit – long on ceremony and short on substantive outcomes – provided just about everything he could have wanted. Spending nearly 24 hours in Palm Beach with an unpredictable host, he came out of the meetings unscathed. He enjoyed all the respect, equal treatment and chummy photo-ops the occasion could offer. He took no questions from the press and had no unscripted or awkward moments.

Xi would also be pleased with how the meetings were described by US President Donald Trump and his senior officials – in vague but very upbeat and uncontentious terms. We learnt from the US Secretary of State, Rex Tillerson, that the two leaders had "positive, productive meetings" and they agreed to "work in concert to expand areas of co-operation while managing differences based on mutual respect". That is soothing music to Xi's ears.

Read More: http://www.smh.com.au/comment/donald-trumps-big-syria-disruption-was-a-much-needed-diversion-for-a-summit-with-no-strategy-20170409-gvh33o.html



2. How Xi Jinping got Trumped by cruise missiles

10/04/2017 Geoff Raby Australian Financial Review

President Xi Jinping's visit to Mar-a-Lago to meet President Donald Trump early in the US President's term was carefully choreographed to be a triumph of mature responsible diplomacy by China.

The Chinese leader, five years into his term, was giving the new President the courtesy of calling on him, in an informal way, underlining that this was a business-like relationship of equals.

The Chinese would have calculated that the new President needed a composed reassuring outcome on the US/China relationship, after Trump's blustering, confusing, Twitted commentary on relations with China before and after his election, and subsequently with the chaos inside Trump's inner circle of family and advisers.

Read More: http://www.afr.com/opinion/columnists/how-xi-jinping-got-trumped-by-cruise-missile-diplomacy-20170410-gvhjdo

3. Trump's message to Xi: get tough on North Korea

11/04/2017 Linda Jakobson and Jackson Kwok ASPI Strategist

The much anticipated first meeting between presidents Donald Trump and Xi Jinping ended in smiles all around at Mar-a-Lago, Trump's luxury private club in Florida. That's good news for Australia. When China and the United States get along, political leaders and public servants in Canberra and capitals across the Asia–Pacific can breathe more easily.

Though Trump tweeted in advance that talks with China's president would be 'very difficult', it was evident that he was determined to have a positive meeting. Gone—at least in public—was any trace of Trump's previous combative rhetoric about China 'raping' America on trade or building a 'massive military complex' in



the South China Sea. Trump was a welcoming and gracious host. Xi, in turn, was keen to demonstrate that the US–China relationship is stable. 'We have a thousand reasons to get China-US relations right, and not one reason to spoil the China-US relationship', he told Trump.

Read More: https://www.aspistrategist.org.au/trumps-message-xi-get-tough-north-korea/

4. Lest our politicians forget... China is still a communist state

11/04/2017 Rowan Callick The Australian

It is now clear that the strife still unfolding between Australia and China has its origins in Beijing's nationwide campaign to shut down lawyers who take on human rights cases.

The impact of the co-ordinated arrests almost two years ago of 286 lawyers and their colleagues, followed by their jailing for up to 12 years for "state subversion", continues to send waves throughout China and the region.

These law firms represented cases ranging from farmers whose land was stolen by local officials to writers prosecuted for criticising long-dead communist "heroes".

Read More: http://www.theaustralian.com.au/opinion/columnists/rowan-callick/lest-our-politicians-forget-china-is-still-a-communist-state/news-story/b569eefa06a01af38d614054af5b2e9e

5. Trump disaster averted is a success for Beijing

10/04/2017 Tom Mitchell Financial Times

For Chinese officials, Xi Jinping's first face-to-face encounter with Donald Trump last week in Florida was a success principally because it was not a disaster.

From the perspective of China's risk-averse communist rulers, the April 6-7



summit was always going to be a high-risk gambit. But with an increasing realisation in both Washington and Beijing that the current imbalances in their trade and investment relationship are not sustainable, meeting Mr Trump on his home turf was a risk Mr Xi had to take.

Read more: <u>https://www.ft.com/content/0d47b8ac-1de5-11e7-b7d3-163f5a7f229c</u>

6. What happens if China stumbles? A \$140 billion doomsday scenario

12/04/2017 James Massola Sydney Morning Herald

Australia is more exposed to the economy of a single nation – China – than at any time since the 1950s, when Britain was our major trading partner.

While the gains from that economic relationship have been huge, the risk if China's economy slows are potentially just as large, new modelling warns.

The analysis, from Deloitte Access Economics' Chris Richardson, to be released at the National Press Club on Wednesday, says that if economic growth in China halved from its current rate of about 6.7 per cent to 3 per cent, Australia would be forced into recession as the nation "just doesn't have the ammo to fight it off any more".

Read More: http://www.smh.com.au/federal-politics/political-news/what-happens-if-china-stumbles-a-140-billion-doomsday-scenario-20170411-gvimlc.html

7. Slowdown in China would cost 500,000 jobs, warns Deloitte

12/04/2017 David Uren The Australian

A downturn in China would bring a recession in Australia costing 500,000 jobs and sending house and share prices diving, modelling by consulting firm Deloitte shows.



With the budget already deep in deficit and the Reserve Bank's interest rates at a record low, there would be little authorities could do to soften the impact of a slump in China.

Deloitte partner Chris Richardson says that while a Chinese downturn is not his central forecast, its elevated debts and reliance on government stimulus spending to keep growth going means that it is a plausible risk, particularly given global tensions over trade.

"Compared with the global financial crisis, Australia's vulnerabilities are higher, our defences are weaker, and this time around China would be a cause of the problem rather than a part of the solution," Mr Richardson says, in an advance copy of a speech to be delivered to the National Press Club today.

Read More: http://www.theaustralian.com.au/business/economics/slowdown-in-china-would-cost-500000-jobs-warns-deloitte/news-story/621470366b21a71691715c5e47dd65e9

8. Australia is sleepwalking into a confrontation with China

12/04/2017 John Pilger Sydney Morning Herald

Australia is sleepwalking into a confrontation with China. Wars can happen suddenly in an atmosphere of mistrust and provocation, especially if a minor power, such as Australia, abandons its independence for an "alliance" with an unstable superpower.

The United States is at a critical moment. Having exported its all-powerful manufacturing base, run down its industry and reduced millions of its once-hopeful people to poverty, the principal American power today is brute force. When Donald Trump launched his missile attack on Syria – following his bombing of a mosque and a school – he was having dinner in Florida with the President of China, Xi Jinping.



The attack on Syria was clearly, above all, to show his detractors and doubters in Washington's war-making institutions – the Pentagon, the CIA, the Congress – how tough he was and prepared to risk a war with Russia. He had spilt blood in Syria, a Russian protectorate; he was surely now on the team. The attack was also meant to say directly to Xi, his dinner guest: this is how we deal with those who challenge the top dog.

Read More: http://www.smh.com.au/comment/australia-is-sleepwalking-into-a-confrontation-with-china-20170412-gvjn6g.html

9. North Korea: Malcolm Turnbull urges China to act on 'reckless' ally

12/04/2017
David Crowe & Rachel Baxendale
The Australian

Malcolm Turnbull is urging China to use its influence over North Korea to prevent a regional clash as its leader Kim Jong-un threatens to use nuclear force against the US.

"The whole world is concerned about the reckless, dangerous conduct of the North Korean regime," Mr Turnbull said.

"It threatens regional stability, it threatens global peace. The time has come for all parties, but in particular China, which has the closest relationship with North Korea, to bring pressure to bear on North Korea, through the sanctions regime and other means, to ensure that they cease this reckless and dangerous conduct."

Read More: http://www.theaustralian.com.au/national-affairs/defence/north-korea-the-greatest-threat-to-world-stability-christopher-pyne/news-story/52cba0152ee8d254ed3212cbd544dca1



10. Mountain of debt looms large over China's vulnerable economy

13/04/2017 Rowan Callick The Australian

Is China's huge, globally enmeshed economy truly vulnerable?

A growing consensus of leading China-focused economists fear it is.

The economy bears little relationship to that of the Soviet Union on the cusp of its downfall 27 years ago. But a leading Chinese economist makes a strong case that in one crucial facet it harbours the same chronic disease.

He believes that unless treated, this threatens to infect the whole structure.

Xu Chenggang diagnoses this problem under its technical title of "soft budget constraint".

To the layperson, what he describes is a tottering and still accumulating debt mountain.

Read More: http://www.theaustralian.com.au/business/opinion/rowan-callick/mountain-of-debt-looms-large-over-chinas-vulnerable-economy/news-story/445d02a2d916da8994240fd8ce2d2e23

11. Gareth Evans: China now 'rule-maker', Australia should say no to US more

13/04/2017 Primrose Riordan The Australian

Former Labor Foreign Minister Gareth Evans will urge Australia to say 'no' to the United States more and recognise that China is now a "global rule-maker".



The arguments will be laid out in a speech to the National Press Club on Thursday where he will speak alongside former Paul Keating adviser Allan Gyngell who has recently written a book on Australia's 'fear of abandonment'.

While Australia should not walk away from the alliance, the country should demonstrate "less reflexive support" for the United States' foreign policy, Mr Evans will argue.

"My own experience strongly suggests that periodically saying 'no' to the US when our national interests are manifestly different, makes for a much healthier and productive relationship," he will say.

Read More: http://www.theaustralian.com.au/national-affairs/foreign-affairs/gareth-evans-china-now-rulemaker-australia-should-say-no-to-us-more/news-story/facae8e243f14cf94c1ab5188016b17a