

A new China narrative for Australia

Submission by Daryl Guppy

16 April 2019

General comment

The glaring omission in the New China Narrative is that there is no discussion of the Belt and Road Initiative (BRI). What BRI means for Australia, how Australia might engage with BRI in a meaningful way, how BRI interacts with existing World Trade Organization and trade environments, and how BRI is shaping regional relationships will be one of the primary factors shaping any New China Narrative.

At its core BRI has the concepts of shared prosperity that recognizes and accepts the diversity of political structures. These concepts sound insincere to Western ears, accustomed as we are to the Machiavellian idea that all foreign relations are about power, conquest and submission.

Without an acknowledgment and discussion of BRI, this New China Narrative remains outdated and to some extent, irrelevant, in terms of evaluating Australia's position and responses to future China policy and relations.

"Fortunately, the economies of Australia and the PRC are complementary"

This addresses one side of the complementary relationship, and primarily in trade terms. What contributions do, or should, China make to Australia other than providing Australia with a flow of capital?

A meaningful and engaged relationship has sophisticated levels of complementariness in a two-way flow. We do not see a large number of Australian students studying in China and we provide few opportunities for administrative or work exchanges etc. Moves in this direction are noted later in the Narrative, but they are not couched as in invitation for Chinese workers or officials to come to Australia.

A mature New China Narrative would encourage the steps necessary to reach a more sophisticated relationship and so move away from the current ill-informed discussion.

"China will have a larger role in setting standards"

The focus is on the mechanics of standards. China's involvement here is important, and Australia should be supporting China's right to be involved in setting 5G standards for example. However, this narrative fails to discuss how it is in our joint interests to enable China to sit at the tables of global rule-making in a way that is commensurate with its economic size and influence. This is a fundamental reform of the proportion of representation at institutions such as the IMF and World Bank.

“Indeed, we will call out any country whose actions we find unacceptable”

This New China Narrative should also explicitly acknowledge the legitimate reciprocal right of China and others to call out actions they find unacceptable. Of course, this would also require Australia to acknowledge that such ‘calling out’ is an acceptable part of political discourse and not evidence of political interference.

“And that the best way for the PRC to be respected as a great power is to adhere to mutually accepted rules”

China does not need external validation of its concept of itself as a significant power. The suggestion that it needs, or craves such recognition shows a fundamental misunderstanding of China’s perceptions of its role. Indeed, many would argue that the very use of the term ‘great power’ is an anachronism harking back to the age of empire and imperialism when there is scant evidence that this is China’s aspiration. China, like Australia, wishes to secure, rather than expand, its borders.

The subtext in this section is that these rules will be set by the West and that China must conform to these rules. The appropriate subtext should be that Australia will assist in enabling China to be invited to be an active and proportionally valued participant in setting these rules, and modifying these rules as required.

The South China Sea is cited as an example of the need to observe international rules. This ignores the apparent ‘right’ of great powers to ignore international court rulings. The US ignored UN resolutions on mining harbours; the US refuses visas for International Criminal Court judges investigating war crimes; Australia fought tooth and nail in an attempt to avoid abiding by the court decisions regarding the Timor Gap; the US refuses to ratify the UN Convention on the Law of the Sea that it demands China observe in the South China Sea.

Any New China Narrative needs to be very wary of claiming high moral ground that is in objective fact, not much more than a bump in the midst of ethical quicksand.

“We will confront foreign interference head-on”

This is demonstrably incorrect so in its current format this is not a useful addition to any New China Narrative. US influence is deeply embedded in our political system and has been for decades. Whilst there is concern about potential foreign interference by Confucius Institutes there is no such concern expressed about the Australia Strategic Policy Institute attempts to shape public policy discussion despite the fact that a significant proportion of its funding comes from US defence contractors.

It may be more appropriate to say: “We will confront foreign interference head-on from wherever it is sourced.”

Daryl Guppy is founder and Director of Guppytraders.com and a member of the Australia China Business Council Board. This submission does not necessarily reflect the views of the ACBC Board.