

A new China narrative for Australia

Submission by Ron Huisken

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Both Canberra and Beijing are likely to use the May elections as another opportunity to 'reset' the bilateral relationship. China has been disappointed in Australia for some time. Relations reached a low in 2017-18 and Malcolm Turnbull's toppling was used as an excuse for a fresh start. This was a time-honoured ritual to give each side a face-saving opportunity to be more tolerant of the others interests and the manner in which they were advanced. But neither side had thought very much about the underlying reasons for the difficulties and they duly resumed in early 2019. The Australia-China relationship therefore remains as an important piece of unfinished government business.

We should not expect this relationship to be easy to build or to sustain. Even at the broadest level, the differences between Australia and China point to a rough road even if both sides drive carefully. In China, the State trumpets its omnipotence; in Australia the State is constantly justifying itself. The checks and balances on the power of the state – high standards of compulsory transparency, a parliament with significant powers, an independent judiciary and a free press – accepted in Australia as very fabric of governance, are viewed by the Communist Party of China not merely as superfluous but as treasonous. When the absence of domestic checks on the power of the PRC state results in an enduring interest in Australia in external checks and balances (like ANZUS or the incipient Quad) we find ourselves being heckled as belligerent, suffering from a Cold War mentality and spending too much time in the company of Americans.

Over recent decades, China has generated increasingly broad and deep influence over Australia and Australians. China demands a larger slice of our major exports than our major trading partners in the past; our education and tourism sectors, in particular, have flourished on the back, in significant part, of demand from China; and Chinese migration to Australia, accompanied by significant private investment, has grown strongly. Moreover, these strong economic connections between China and Australia have been replicated throughout the region and beyond so every other country of importance to Australia is also dealing with a relationship with China that, in terms of breadth, depth and dynamism is essentially without precedent. China has also moved on from playing a newly prominent – in many cases, dominant – role in determining the economic rhythms within East Asia to aspiring to recast the geostrategic map of the Indo-Asia-Pacific in the direction of China-centricity. Australia is also familiar with this aspect of China's aspirations – in the form of persistent overtures from Beijing to aspire to a relationship of greater political and strategic intimacy, and, implicitly, to discounting our traditional links to the UK, western Europe and the US.

In all these ways, China's presence in our affairs has and will continue to become more direct and more compelling. This is inevitable and – at least to a significant extent – manageable. It is important to bear in mind, however, that the attitudes, presumptions, instincts and practices that the Chinese state has acquired and developed at home cannot be turned off or readily suspended when its officials find themselves dealing with or operating in a foreign country. And we have found that China has deployed the full playbook on how to acquire the capacity to shape and influence the debate in Australia on issues of interest to them – including leveraging old and new Chinese migrants to Australia, being alert to opportunities to acquire a stake in local media operations, and cultivating close relations with state and federal politicians.

If China is critically important to Australia as an economic partner but has a government with an over-developed propensity to secure compliance and deference from us on issues important to them – for example Taiwan, ANZUS and China's governance model – then we need to think hard about the core elements of an enduring policy posture toward China, that is, the principles that we must resolve to protect as events and developments unfold in all their diversity.

A posture is a combination of substance and demeanour. The latter is not hard – we must be friendly and respectful and we must go to the trouble to know as much about how China thinks and works as it permits us to learn. We must resolve to never be open to allegations of laziness and ignorance.

The substance, of course, is trickier. As we ponder this question, the biggest mistake we can make is to presume or accept that we are predominantly at fault and that the onus for change rests primarily with us. We are not without our faults but I would suggest that we come closer than most other communities to being aware of and prepared to acknowledge them. It is in our long-term interests to discretely but persistently convey to the CPC the sources of the hesitations we have about aspiring to a more intimate and comprehensive relationship.

Of all the foreign governments of primary importance to Australia that we have had to deal with, the CPC is the least open, the least transparent and the least communicative. The CPC seized power after prevailing in a 25-year civil war and promptly declared itself to be the perpetual government of China. A permanent government necessarily portrays itself as the optimal model of governance, a reliably self-disciplining entity, but it also ensures that it has all the authority and capabilities it needs to detect, defuse and, if necessary, defeat any domestic resistance. China has begun to make the argument that dis-aggregating political and economic power to preclude any source of dictatorial authority may have had enduring appeal during the evolution of the modern democratic nation-state but when a political agency is responsible for an ancient civilization, as is the case in China, a different approach with different rules and standards must be taken. China's objective, of course, is to secure acceptance of the proposition that liberal democracy cannot claim any special or superior status – it is no more than an option.

The exceptionalism – or plain hubris – that afflicts major powers with complicated histories is entrenched in China. The CPC, lacking even a single instance of popular endorsement, is so burdened with illegitimacy that it is effectively imprisoned in an adversarial relationship with its own citizens. There is so much that the CPC dare not allow that it necessarily leans more heavily on the remaining means available to it to attract support and bolster legitimacy. Beyond the important basics such as housing, education and health, these means include securing ‘wins’ in the international arena to fuel the nationalistic sentiments the state has carefully cultivated to fill the void of discredited socialism, not least erasing the stain of the ‘century of humiliation’ that has been revived in the public mind. Beijing’s dilemma has been that its spectacularly rapid acquisition of decisive quantitative strengths has not translated smoothly into ‘soft power’ – the generation in other states of respect and of instincts to follow or emulate that is spontaneous rather than the result of the use or threat of use of coercive capacities of some kind. And soft power is the icing on the cake, indispensable to credible claims of satisfying national success.

At this point, one begins to get a sense of difficulties for the management of stable relations piling up. It is hardly rocket science to discern that if China can insist on full compliance by nationals and foreigners with its ethos within the People’s Republic and take full advantage of the ethos of liberal democracy when dealing with most other states in the international system it is akin to granting them a large, possible decisive, competitive advantage. There is no level playing field, no fair go, to be had there.

Something along these lines has been the case since China began to reconnect with the international system in 1978 with outcomes that are proving unsustainable. Whether a new basis for enduring co-existence can be identified and put in place is the question du jour. Donald Trump swept to an improbable victory because he put his finger on and promised to fix a key part of the economic component of this systemic clash. These economic issues are certainly critical but the full dilemma is better characterised as incompatible philosophies of governance.

If Presidents Trump and Xi Jinping agreed to urgent US-China negotiations in November 2018 because both perceived a fork in the road, a final opportunity for a major re-calibration of the terms of engagement to avert a dangerous breach in the US-China relationship, and if they have the vision and leadership qualities to pursue a comprehensive solution, their efforts could be of invaluable assistance to Australia’s interest in creating a stable foundation for its relationship with China. But these are pretty big ifs. We will probably have to feel our way forward with much of the business between China and the US also still a work in progress.

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