## Getting the Australia-China Relationship back on track

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John Menadue's Public Policy Journal Pearls and Irritations

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While we should not yet abandon hope for a more realistic, nuanced and sophisticated China policy under the Labor government, Prime Minister Albanese's initial statements from Tokyo in response to an overture from PRC Prime Minister Li Keqiang are not encouraging.

Instead of waiting to respond diplomatically and privately to Li, he picked up the megaphone and spoke defiantly of Australian values in the way Morrison used to, uncalled for by the tone and content of Li's conciliatory message and running up the trademark flag of the Morrison/Dutton duo, which they flew in chest-thumping self-aggrandisement and justification of their 'being out in front' of the world with their anti-China stand. Not a good first message from the new government. If you believe in the uses of diplomacy, that is.

Prime Minister Li's message is not the first indication of a conciliatory preparedness on China's part. When the new PRC Ambassador to Australia, Xiao Qian, arrived in January this year, he immediately set about seeking a reset of the relationship. And even before that, high-ranking PRC officials had been indicating privately and often through back channels, that China was ready to reset relations. And how to do this? In subsequent statements Ambassador Xiao has said *'China is willing to work with Australia to meet each other halfway'*. To Scott Morrison, meeting halfway meant we'd have to compromise our principles and values, although how he worked that out without listening to what Ambassador Xiao Qian had to say is hard to know, given that he refused to receive the Ambassador, claiming, astonishingly, that this would be a sign of weakness.

Labor in office has nothing to fear from responding positively to the PRC's message, because it no longer needs to keep looking over its shoulder as it did in opposition.

It would be a helpful start if it were first to interrogate its own position that the dive in relations is solely because China recently and under President Xi Jinping has changed. This is a loose catch-all formulation, mostly unexplained, not in all

respects accurate, and not a sound basis for development of an effective China policy. Much of the change attributed to President Xi, for example, began with his predecessor Hu Jintao, particularly a more assertive stance in the South China Sea. And Hu stepped down in 2012! And yet, after that time we entered into a variety of high-level endorsements of the relationship, including an agreement for a strategic partnership with China in 2014, a China-Australia Free Trade Agreement in 2015, participation in the China-initiated Asian Infrastructure Bank, and praise for the subsequently-reviled PRC Belt and Road initiative for economic cooperation.

Labor needs a critical re-examination of its proposition about China's change and of Australia's own contribution to causing and sustaining the current freeze.

If Australia's QUAD partners – the United States, Japan and India – as well as South Korea, Singapore, New Zealand (which actually upgraded its FTA with China in April 2022 – an event which went unreported in the Australian media), and a dozen other countries in our region see maintaining a relationship with China as serving their national interests, we have to ask 'why not us?' It is demonstrably in our interests that we have a working relationship with China as these countries do and set about securing that now.

How, then, can the Labor government respond to the PRC initiative? What can we offer that would meet the PRC half way without compromising on matters that are of concern to us? The answer lies in initially working around the most difficult issues rather than putting them up front as a precondition, or excuse, and finding common ground on others, a practice not exactly unknown in international relations.

As Henry Kissinger argued recently on the subject of Taiwan, in a statement to the World Economic Forum: "Taiwan cannot be the core of negotiations between China and the United States....For the core of these negotiations, it is important that the United States and China discuss principles that affect the adversarial relationship, *and that permit at least some scope for cooperative efforts.*" (my italics).

Australia under a Labor government must now return to diplomacy, talking with the PRC, for which it is clearly ready, and putting away the megaphone of gratuitous criticism, insult and condemnation which were the hallmarks of Morrison's China policy. If we can do this, there will be many issues on which we can have constructive engagement.

An obvious issue for us is climate. PM Albanese has flagged working together with others for more effective international cooperation. To include China in this is an opportunity and to exclude it would be self-defeating. And through climate, we can engage constructively with China in the South Pacific, abandoning Morrison's self-appointed role as *pater familias* and ceasing to cast our relations with those countries in a framework of 'standing up to China'.

A sore point for China has been the often sudden and arbitrary prevention of PRC-based investments in Australia, frequently not by the FIRB but through the intervention of the Treasurer. We don't have to change these decisions but we can ameliorate the negative impact through direct and frank and forthright discussion with the PRC government.

Another sore point, for both sides we must remember, is the imposition of antidumping measures, and while this is a tough one, diplomats are trained and skilled in being able to handle such issues, where soldiers and intelligence officers are not. Let's go back to diplomacy and work through these measures, and where possible address the domestic pressures that have brought them about.

Positive engagement with China in regional organisations is another opportunity, notably in the case of RCEP, the Regional Comprehensive Economic Partnership.

There are countless other matters on which we can engage with China, from health including Corona and the role of the WTO, and science and technology and university collaboration, to trade, and also cultural exchange, an important connection when political engagement fails. Through all of these we can resume the habit of dialogue, which is fundamental.

And in conclusion, a Labor government must repudiate forthwith all policy, statements and actions which lent credence, encouragement and support to the scapegoating and demonising of Chinese Australians under the Morrison government. That would not only have a positive effect on the relationship, it is a right thing to do for the good of our society.

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