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China's future is Australia's future?

A Middle Power and the Middle Kingdom:
Australian-Chinese Relations in the Twenty-First Century

Adriana Edmeades

1 The Not So Special Relationship: Determining the Quality of Australian-Chinese Relations Now

As the economies of the United States and the united Europe flounder in the shallows of sovereign debt and high unemployment, to say that the Australian economy relies on the Chinese market is to take Australian understatement to its limits. Total trade (imports and exports) between the two countries this year grew by a staggering 24.6 per cent, and now is valued at A\$98 billion. Were Australia's bilateral relationship with China a country of its own, it would have a GDP just shy of Hungary. And next year would be even bigger: about the size of resource-rich Kuwait or the Ukraine.

Yet, for all the dovetailed productive symbiosis, for all the iron ore and coal, the economic relationship between Australia and China is generally considered to lack a certain something. Let's call it trust. China is a market and an investor, treated with appreciation and respect, but that economic realism is covered with a patina of suspicion. A sense that, as much as China is prepared to engage with Australia and mouth the platitudes of free trade and sanctity of contract, it is not to be relied upon and will, *in extremis*, always protect itself, even at the cost of broken promises. At the time of the Foreign Investment Review Board considering Chinalco's increase in its stake of Rio Tinto, Barnaby Joyce crystallized and gave voice to just such suspicion when he said that, *mutatis mutandis*, China would never consider allowing Australia to buy a Chinese mine. Many considered the suspicion of China's inconstancy confirmed when, one month after the Review Board rejected Chinalco's bid, Australian citizen and Rio Tinto executive Stern Hu was arrested for a variety of bribery and confidentiality offences, for which he currently serves a ten year sentence.

Further, those with a nervous economic disposition point to the ubiquity of China's investments in the most unlikely places. Since 2004, China has invested around US \$15 billion worth of electricity infrastructure, transport networks, waterworks, hospitals and schools in countries including Nigeria, Ghana, the Sudan, Angola, Ethiopia, and the Democratic Republic of Congo. Repayments are made in oil, coal, cocoa, and food. One day, some suspect, Chinese ships will forego entirely the bustle of Newcastle and Port Hedland for the ever-expanding hubs of Lagos and Tema.

Some may question what such a relationship could mean for Australia's future. Is Australia condemned to being taken for granted, held to ransom by the dividends of its bilateral trade for the decades it will take until China's resource-driven investments in sub-Saharan Africa bear fruit or China transforms itself into something other than a secondary industry economy? What good can come of a relationship shot through with suspicion that Australia is being taken advantage of, and that, when push comes to shove, it will be betrayed or passed over for a cheaper or more pliable option?

This essay will suggest that attempts to parse the relationship between China and Australia as a simple case of trade forever lopsided, Australian influence forever contingent, and Chinese interests forever dominant is not only to misunderstand China, but also to forget the benefits of complexity in international relations. This essay will propose instead that China's future will be more nuanced than its frequently monolithic characterisation would suggest, and that the relationship with Australia already shows signs of greater subtlety and maturity. More importantly, however, this essay will also suggest that it would be a mistake to consider a complex relationship with China to be problematic, since the technique Australia, as a middle power, learns through dealing with the Middle Kingdom is precisely the sort of diplomatic nuance required of the fractured and multivalent relationships to be found in the geopolitics of the twenty-first century.

2 Those Inscrutable Chinese: Problematic Assumptions on the Nature of the Chinese Government

A barely disguised Orientalism underpins much of the typical suspicion in Australia-China relations. China is considered a land apart, a unitary state driven by the desire

for economic supremacy and caring nothing for the stuff of Western development: liberal education; political plurality; freedom of speech. Moreover, any changes of direction, policy shifts, or about-turns on the part of China are put down to something wily and single-minded in the 'Chinese mentality,' which apparently finds just as much expression in the Chinese government's shameless protection of national interests as it does in the bloodless ambition of half a billion Tiger Mothers.

This conception of China as at once monolithic and inconstant fails to capture the complexity of the modern Chinese state, its priorities, and its relationship with Australia. Certainly the headline-grabbing resources trade fits easily with a simple characterisation of the relationship as a prettified rentierism, in which China pays and Australia digs. Even at the economic level, that is not the whole story, however. Over the last decade, one of the most bullish sectors of the bilateral trade has been tertiary-level education. Indeed, in January 2011, the Australian Group of Eight universities signed a long-term student exchange deal with their counterparts among the elite Chinese universities. The trajectory of the educational relationship between China and Australia, from a foundation of one-way English language instruction to a fully mature system which exposes young academics from Sydney, Melbourne and the ANU to the rigours of Beida and Tsinghua, and vice versa, demonstrates the expansive ambition on both sides. In addition, taken aback by the lazy assumption that modern Chinese education cares only for the steely pragmatism of engineering and science, the Chinese government has founded more than 300 Confucius Institutes throughout Australia, the Americas, and Europe, to teach modern and classical Chinese language, literature, and thought.

Nor is China the unitary polity many assume. For those prepared to look beyond the ostensible simplicity of a one-party state, the political divergences across the Chinese government are significant and real. The variegated reaction to the fatal 23 July crash of a high speed train at Wenzhou provides a good example. Premier Wen Jiabao's visit to the site, and call for a State Council (i.e. Cabinet-level) inquiry into the disaster, seemed a clear break from President Hu Jintao's instinct to dispatch work safety minister Zhang Dejiang to oversee a hasty clean-up operation condemned by the public and sections of the state media as insensitive and tasteless. And the periodic friction between 'Grandpa Wen' and his hardline colleagues on the Communist Party

politburo is just the tip of a governmental pyramid within which differing policy positions are increasingly finding voice. Although false dawns of Chinese political liberalism, such as Mao Zedong's disingenuous 1957 Hundred Flowers campaign of (short-lived) plurality, have a long history, recent years suggest that robust and different viewpoints are slowly emerging within the government. In the unicameral National People's Congress, the non-Communist United Democratic Front parties and unaligned technical experts are having greater input into policy, and since the 1990s a number of taxation and constitutional amendment proposals backed by Communist leaders have been defeated in the Congress, something unheard of for the first forty years of the chamber.

The Communist Party's acquiescence to a tentative resuscitation of the political reputation of Lin Biao is also illustrative. Lin, a triumphant PLA military commander turned vocal critic of the Maoist personality cult, died in 1971, together with his family, in a suspicious air disaster. His name was then slandered in the Cultural Revolution's 'Criticise Lin, Criticise Confucius' campaign, orchestrated by Mao's widow Jiang Qing, and Lin was written out of the PRC narrative as a traitor. Since 2007, however, Lin's portrait has been quietly reinstated to Beijing's Military Museum alongside the other leading figures of the Northern Expedition and Sino-Japanese wars. Added to the recognition now afforded to the economic reformers of the Deng Xiaoping era, it appears that the story of modern China, for so long a didactic Marxist passion play of political determinism, has become more nuanced, more contingent, more reflective.

3 Re(a)d All Over: Recognising the Multivalent Nature of the Chinese Polity

To look closely at the complexity of Chinese political dynamics is not to offer apologia for the PRC's illegitimacy, cruelty, and flagrant abuse of human rights. Nobody could sensibly suggest that behind the Communist façade lies a secret garden of plurality, criticism of the government, and independent thinking. The arrests of uncomfortable dissidents such as the artists Ai Weiwei and the Nobel prize-winning novelist Liu Xiaobo underscore the brutal excesses of the Party, while the ongoing fight for transparency and due process in the trial of Australian-Chinese businessman

Matthew Ng dramatizes the anaemia of the rule of law in the face of the rule of the executive. That said, any serious appraisal of contemporary China must accept that key figures and power structures in the country are capable of divergent opinions, policy independence, and gradual reform. Apparent changes of Chinese policy are not, therefore, necessarily indicative of some untrustworthy inconstancy.

For far too long the international community has read Chinese actions as comprising a vast system of finely calibrated steps in an ineluctable march towards global domination. This teleological fallacy thinks of everything, and everyone, within China as following a coordinated plan, aiming at a definite objective, and conforming to a pre-destined trajectory. And talk of putting China instead on a 'path' to a democratic objective relies upon the same unrealistic assumption. But China is not of one mind, and particular government policies are not windows into the soul of the 'true China.' Understanding China requires moving away from the essentialism inherent in anthropomorphising China as an actor with a consistent personality, and towards a recognition that China is a complex organism within which particular people and institutions have a multitude of objectives, both good and bad. It may be that China can never be summed up as either good (a plural democracy) or bad (an authoritarian police state), but always as a mixture of competing urges, divergent instincts, and particular policies.

And that goal is not unachievable. The world is capable of understanding change and divergence. We are not rocked with feelings of betrayal, we do not hide behind the lazy racism of lack of trust when a democratic country changes its diplomatic direction as a new party comes into government. Australia, and the West, finds those transitions easier to understand, as that change can be readily understood and located in the symbolism of parties, leadership, and periodic renewal. As yet, few in the international community have the right tools, few know the labels to attach to the different forces in China, and as a result few enjoy the realistic accuracy gained through understanding the political changes and development in that country.

Should Australia seek to strengthen its relationship with China in the coming years and so direct Chinese attention towards priorities close to Australian political hearts, such as greater freedom of opinion and the press, and action on thorny questions of

climate change, Tibetan self-determination, and North Korean irrationality, Australian policymakers need to recognise that negotiation with the Chinese President is not the same as with the Premier, with the Party not the same as the Congress, and with the regions not the same as Beijing. Prosecuting a relationship with China veiled in ignorance of its heterogeneity leads only to disappointment, frustration, and an inability for Australia to gain traction on key priorities.

For the future of the Australia-China relationship then, Australia must resist the childish petulance of reducing nation states of the world to anthropomorphised goodies and baddies. In so doing, Australia may find that a new way of dealing with China, through appreciating its constitutive complexity, lights the way for a new approach to international relations suited not only to China, but to so many of the complex countries of the twenty-first century.

4 Reductionism and Resistance: The New Diplomatic Approach the Twenty-First Century Requires

The international relations of the second half of the twentieth century were informed by the easy certainties of the Cold War, in which the pressures of an asserted existential contest between liberty and oppression threw up a binary categorisation of friends (the United States and its allies) and foes (the Soviet Union and its fellow-travellers). No less simplistic, in the 1990s newly democratic South Africa and the former Soviet Eastern European republics were viewed with uncritical positivity. As the early years of this century have demonstrated, however, that reductive and essentialist instinct to cast countries as either entirely 'good' or irremediably 'bad' on the basis of their dominant political ideologies proves of little use in the contemporary setting. Assuming that the inspiring history of the African National Congress would forever ensure principled and unimpeachable leadership in South Africa, many nations in the West found it impossible to comprehend Thabo Mbeki's intransigence on HIV/AIDS policy, or Jacob Zuma's nepotistic cronyism. Western governments' easygoing attitude about the market liberalism of the new Russia realised too late that the hydrocarbon oligarchs ruled their fiefdoms with a capriciousness of Stalinist proportions. On the other hand, established assumptions about the unsalvageable tyranny of the Taliban regime in Afghanistan and the Ba'athists in Iraq are only now,

after a decade of closed-mindedness, being reassessed as coalition forces recognise that the future stability of those nations relies on accommodating members of the pre-existing power structures into struggling new governments.

There is a bitter lesson in the African lives lost on the assumptions that ‘good,’ allied, governments are immune from failure or cruelty; a lesson in the blood and treasure wasted in the Middle East, with the West stubbornly denying that holdovers from ‘bad,’ enemy, regimes could ever contribute to a nation’s future. The lesson is that dealing with the complex states of the twenty-first century requires a faculty for looking beyond the reductive and unhelpful characterisation of states as monolithic bodies, wholly good or wholly bad. That outmoded attitude leads unavoidably to unrealistic expectations and false hopes, with their cognate ultimate frustrations, suspicion, and perceptions of betrayal. None of this is productive, none conducive to mature partnership or strategic success. Instead, successfully dealing with the future on the international level will entail appreciating the multiple levels of power within even an ostensibly unified government, recognising the influence of each power base on specific questions under negotiation, and predicting how divergent opinions will influence those outcomes. The unmet challenges to come – the fracturing of ‘strong-man’ regimes in Syria, Yemen, and across north Africa, and the reform of internally-riven military juntas in Burma, North Korea, and Cuba as a series of succession crises loom – demand more subtlety and nuance than ever before.

5 Chinese Medicine: The Therapeutic Impact of Australia Learning to Deal with China

The opportunity presented to Australia by its relationship with China, then, is the opportunity to learn the diplomatic skills of this century, to become practised in the art of looking behind the epigrams of a country’s leaders to discover the reality of its policy priorities, and to become comfortable with the necessarily gradual quality of institutional reform abroad. China’s future, its opaque power struggles, internal political complexity, and gradual reform, ought not to be treated by Australia with either condescension or suspicion. Certainly, Australia may rightly maintain that nothing short of a total political liberation to accompany its Dengist economic revolution can truly satisfy China’s obligations to its people. But such a

transformation is a long way off, and will not be precipitated by furrowed brows and choice words from afar.

Instead Australia must seize the chance presented by its fortuitous economic integration with China, using the existing links and burgeoning knowledge of this complex partner to recalibrate how Australia undertakes contemporary diplomacy. This is a therapeutic learning: distinguishing parties from governments, institutions from leaders, and aspirational statements from true policy priorities, while at the same time casting aside static characterisations of good and bad, friend or foe. This new approach is exactly what is required when facing the countries with which the international community is increasingly concerned: those seemingly unified but in fact fractious and unsteady. As the paradigmatic example of the state with the outward appearance of unity but internally complex, China, for those who care to look closely enough, serves as a metonym for many of the countries threatening the global order and Australia's region. Lessons learned in understanding the Chinese interaction of military and state and the State Council's executive-level power struggles will assist Australia in analysing the militarised democracies of Thailand and Sri Lanka, for instance, and East Timor's confusing Ramos Horta-Gusmão quadrille. In this way, a more sophisticated understanding of China becomes a way to fundamentally enhance not only Australia's future relations with that country, but also Australia's future dealings across the world.

Confucius taught that 'life is simple, and it is only we who make it complicated.' On the contrary, Australian-Chinese relations are and will be unavoidably complicated for a long time to come; we and the international community would be well served by seeing that complexity as an opportunity, not a problem.

