

# ACRI Opinion

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## Turnbull's blowhard China policy will cost us in the long run

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Australia's foreign policy rhetoric has been [tilting against China](#) all year. But it's hard to recall anything more extreme than Joe Hockey's latest comments. Canberra's man in Washington [said](#) that China is a threat to what Australians have 'fought and died for'.

Last week after new foreign interference laws were introduced, the [Chinese embassy in Canberra finally let loose](#). It claimed that some Australian media had 'fabricated news stories' while some politicians and bureaucrats had made 'irresponsible remarks'. China's foreign ministry [accused](#) Prime Minister Turnbull himself of 'poisoning' the relationship.

Rory Medcalf, Head of the National Security College at the Australian National University [opined](#) in *The Australian Financial Review* that the Chinese government could hardly object given that our laws around national security will remain milder than China's.

This is fine to a point. But it risks missing something crucial: it is not just the Chinese government that is unhappy with the turn that the bilateral relationship has taken.

This month, James Leibold from La Trobe University, who had previously been one of the most outspoken critics of Australia's historically pragmatic approach to dealing with China, also called on these pages for an [urgent](#) 'lowering of the temperature'. This was prompted by a recent visit to China where he and colleague Nick Bisley had encountered emotional and heated reactions not from Chinese officials but rather academics who were known to [like](#) and have a [soft spot](#) for Australia.

Last week the *Financial Review*'s Angus Grigg observed that the view from Shanghai – a commercial capital, not a political one – was that of an Australian government talking tough on China and then congratulating itself.

This could hardly have been reinforced more vividly than by the blowhard way Prime Minister Turnbull introduced the new laws to Parliament. He [said](#) they were akin to the Australian people standing up for their sovereignty just as the Chinese had done at the establishment of the People's Republic in 1949. This had followed 100 years of foreign occupation and humiliation.

It takes two to tango but it's not being 'pro-Beijing' to point out the gaps in the way Australia is handling China. Nor is it 'kowtowing to China' to suggest that modifying the approach might be a good idea.

### Inconsistencies in foreign policy

Last month's foreign policy white paper [noted](#) that China's purchasing power is expected to swell by \$21 trillion between now and 2030. This is potentially the best news on Australia's economic horizon and is greater than the increment in the US, India, Japan and Australia combined.

The first problem is that Australia's China debate has frequently struggled for an evidentiary base.

The sinister influence that China's party-state might have had on Senator Sam Dastyari's position on the South China Sea has been parlayed to a host of other areas, including, incredibly, Chinese students. One prominent commentator [said](#) Chinese students were 'waging a war' against their 'politically incorrect lecturers', while another [insisted](#) that Australian academics were being 'denounced for offending 'Beijing's patriotic sensibilities'.

Yet a [recent survey](#) by the Australia-China Relations Institute found that such accusations stemmed from just four incidents. Meanwhile, there are 131,355 Chinese citizens [studying](#) at more than 30 Australian universities. And in not a single incident was classroom discussion or freedom of expression shut down.

There is also sometimes an ugly gap between the standards that Australia insists China abide by compared with what it is prepared to let other countries get away with.

The white paper explicitly called out China's land reclamation activities in the South China Sea as being in contravention of international law. At the same time it hailed the US as the founder and chief defender of the 'rules-based order', despite it not having ratified the very international maritime law it insists China abide by. In fact, there are 45 treaties [awaiting US ratification](#), one dating back to 1949.

Similarly, Japan was championed as a 'nation with which we share values and interests'. But nothing was said about its highly dubious claim and enforcement of a 200-nautical mile exclusive economic zone around Okinotori, a tiny, uninhabited atoll in the Philippine Sea.

Peter Jennings, executive director of the Australian Strategic Policy Institute has [argued](#) that China is unlikely to retaliate using direct economic coercion: it will keep buying our iron ore. That's probably true, but it is also an extremely narrow accounting of the costs that Australia is likely to incur.

Cooperation on removing outstanding bilateral trade and investment barriers, not to mention on bigger regional challenges, might be put in the slow lane. And not everything in China is government-controlled: households might start to find that California wine tastes better than ours and the views at Waikiki eclipse those along the Great Ocean Road.

With China's economy set to double in size again by 2030, there could be an awful lot of missed opportunities.

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