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Turnbull's China reset ends influence of China hawks

James Laurenceson

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Last week's optimistic China-laden speech by Prime Minister Malcolm Turnbull at the University of New South Wales (UNSW) sparked an instant reaction from national security commentators.

Rory Medcalf, Director of the National Security College at the Australian National University (ANU), leapt to say that despite the 'milder rhetoric', Turnbull had 'not for a moment resiled from the difficult steps... to secure [Australia's] interests and sovereignty'.

True enough.

But what Australian government since Gough Whitlam established diplomatic relations with China in 1972 hasn't sought to secure Australia's interests and sovereignty?

In 2012, James Reilly, a Northeast Asian politics expert at the University of Sydney, wrote that Australia had actively balanced its burgeoning economic relationship with China by strengthening security ties with the US and others.

The Abbott government further stepped up defence cooperation with the US. At the same time, it secured a first-class free trade agreement with China and led Australia into the China-sponsored Asia Infrastructure Investment Bank.

Australian interests and sovereignty aren't harmed by an upbeat and pragmatic China policy. The problems in the bilateral relationship plainly evident since the beginning of 2017 have been about something else.

Yes, some of China's own actions have been partly responsible. Its refusal in July 2016 to recognise a ruling by an international tribunal against its actions in the South China Sea is a case in point.

Indeed, as analysts like Richard Macgregor at the Lowy Institute have argued, there's growing recognition in Beijing that President Xi Jinping may have overreached. This is not only in the South China Sea but also on industrial policies like the Made in China 2025 program, which have become a lightning rod for US, EU and Japanese criticism that China is pursuing state-led development.

That said, in March last year, whose bright idea was it for Australia's Foreign Minister, Julie Bishop to stand up in Singapore and lecture China that it couldn't achieve its economic potential unless it became a liberal democracy?

It was a thesis uncannily similar to that in a 2007 book by her then senior policy adviser John Lee, now a senior fellow at the United States Studies Centre at Sydney University, as well as at the conservative Hoover Institution in Washington.

Never mind that China's economy has tripled in size since then.

A few months later the Prime Minister used his keynote address at the Shangri-La Dialogue to muse about a 'dark view of our future' where China 'marginalises' and 'coerces' its neighbours.

It has now been reported that it was the Prime Minister's then advisor John Garnaut, well known for his hawkish views on China, who wrote the speech. It has also been reported that around the same time Garnaut was telling China experts at the ANU that they needed to realise a fundamental change had taken place in the way Australia would be dealing with China.

On December 5 2017, was it a Turnbull flourish or did he receive advice that it would be wise to cite 'disturbing reports about Chinese influence' at a press conference announcing new foreign interference laws?

How about a couple days later when the Prime Minister was delivering a set piece in parliament introducing these laws, where he again referred to media reports claiming that the 'Chinese Communist Party has been working to covertly interfere with our media, our universities and even the decisions of elected representatives right here in this building'?

Or when in the same speech he parodied Chairman Mao that the Australian people were 'standing up', just as the Chinese had done in 1949 at the formation of the People's Republic?

Whatever the source, by the end of last year the Australian Financial Review's Angus Grigg said the view from Shanghai was that of an Australian government 'relishing its new 'getting tough on China' rhetoric and patting itself on the back for 'standing up to China'.

A common line favoured by China hawks is that China is often angry about Australia's policies, such as its new foreign interference laws.

Yet not a single Chinese diplomat has complained about Australia's right to protect its sovereignty by introducing whatever laws it likes. Their unhappiness has been confined to China being singled out.

The Prime Minister's speech at UNSW was also significant because it showed a new willingness to hose down panicky commentary when it departs from facts and evidence.

Last year, when allegations were flying that Chinese students were 'waging a war' against their Australian lecturers, no Australian leader stood up to defend them.

But last week, Turnbull declared that Chinese students were 'both the foundation and the product of our great collaboration'.

Australian universities have also been attacked for working with Chinese partners in science and technology, with fearmongers like Clive Hamilton – on record as insisting that China must be defined as ‘Australia’s enemy’ – warning that they were aiding and abetting the People’s Liberation Army.

Now Turnbull has responded by thoroughly endorsing UNSW’s Torch program of collaboration with China, offering it up as a ‘shining beacon of bilateral cooperation in innovation and entrepreneurship’.

The mess over the past 18 months has been an aberration in Australia’s much longer history of successful engagement with China based on positive rhetoric and shared interests. Turnbull’s latest intervention might just be the start of getting things back on track.

Professor James Laurenceson is Deputy Director of the Australia-China Relations Institute at the University of Technology Sydney.