

Despite the Cold Warriors, Australia reverts to pragmatism on China

Bob Carr

November 12 2018

This article appeared in *The Australian Financial Review* on November 12 2018.

That the mob always gets it right is cornerstone wisdom of Australian politics, often confirmed by polling that shows the public's deeply rooted common sense.

Thus it is with one of the big debates in Australia: do we engage pragmatically with China? Or do we beat a retreat to an adversarial position with the starting point that China is Australia's enemy – [the assumption of retired Swinburne academic John Fitzgerald in *The Australian Financial Review* on Friday.](#)

China is following a trajectory to arrive at rich country status in another 11 years. Its rise is traumatic for some Australians because it's accompanied by the agonies of a United States being led by an impeachable President with white nationalist instincts, running foreign policy with Twitter improvisation.

No opinion poll confirms the astuteness of the public like that of Lowy on June 20. It showed that 82 percent of Australians saw China as 'more of an economic partner' than a 'military threat'.

It would be hard to imagine a more stunning rebuke to Cold Warriors who were executing anti-China panic throughout 2017 and who appeared, for a few months, to have captured the Turnbull government's rhetoric.

Yes, 63 percent of Australians were concerned with Chinese influence in Australia. That was just ahead of the 58 percent who were concerned about American influence. Even more disturbing to Australia's anti-China Taliban would have been a third revelation – that 43 percent of Australians expressed confidence in Xi Jinping and only 30 percent in Donald Trump.

Striking to me was the revelation that the public's pragmatism on China was not dented by the months of anti-China panic but had actually become stronger, the percentage seeing China as more economic partner having actually risen by three points during China alarums and beat-ups.

There can hardly have been a bigger rebuttal to those who argue that ideological anti-Communism should govern policy, even as China sucks in one-third of our exports, buying more goods from us this year than any in the resources boom.

Little evidence beyond panic

The crashing waves of China panic that generated headlines have retreated, revealing a threadbare evidentiary base. Headlines claimed Chinese donors were buying Australian politicians in a concerted plan by Beijing. Yet 300 Chinese entities in the China Chamber of Commerce in Australia make no donations to political parties and only 2 percent of campaign donations come from any foreign source. Chinese students were subverting our universities in a burst of what John Garnaut called 'racial chauvinism'. But a survey showed that with more than 130,000 in Australian universities there had been a mere four incidents of classroom disagreements and none involved intimidation.

When the census website crashed Peter Jennings of the Australian Strategic Policy Institute pronounced the Chinese did it. Malcolm Turnbull said the crash was attributable to the ABS and their systems provider.

More than 1 million Australians with Chinese heritage have got no record of activism on foreign policy issues. [As I implied in my op-ed in *The Australian Financial Review* on October 24, anti-China zealots would really need to worry if they ever organised like Australian Jewry, or Tamils, Greeks or Turks.](#)

Early in 2017 Turnbull and Julie Bishop read speeches written by more ideological advisers. China would not be great until it became a democracy, declared the foreign minister. The prime minister parodied Mao when he said new laws on overseas influence showed the Australian people 'standing up'.

The ascendancy of the zealots didn't last long. It wasn't covert pressure from donors or dupes that produced this year's switch. It was the realisation that every other American ally and partner – including Japan, Singapore and India – was busy practising its right to pragmatic China engagement. Australia was hewing to lonely ideological rectitude.

Despite Canberra's lectures, China, without becoming a democracy, grew another 6.9 percent. Loyal Australian citizens of Chinese heritage bridled at ugly demonisation (ready 'to take to the streets to express their loyalty to Beijing – in other words, to Australia's enemy', academic Clive Hamilton had warned). Business wondered why Canberra couldn't deal with Beijing the way other Coalition governments had, from Fraser to Abbott: setting aside ideology, working on common agendas. Tony Abbott in his last phase had the balance right, I wrote in an op-ed (which the ideologues need to overlook to paint me as sympathetic to Beijing).

As disappointing as the Lowy poll must have been to the Cold War advocates, a bigger setback was the realignment of China policy from what Dennis Richardson called 'the loose talk' of 2017. This was all there in the Turnbull speech of August 7 at the University of New South Wales. According to Kevin Rudd it was a speech that said 'isn't China nice?'. This was a case of an unwise policy lurch needing an overcorrection, Rudd implied. Its praise of China was clearly not drafted by the government's former speechwriter, John Garnaut.

Adjusting to new reality

Scott Morrison could not have been more painstakingly neutral about the September 30 clash between US and Chinese naval vessels. If at a seminar in China I had settled on our PM's even-handed language, an anti-China agitator like retired academic John Fitzgerald could have cherry-picked the words to allege China sycophancy.

The ultimate failure for such exponents of Cold War is that the instinct for pragmatism on China is always going to assert itself. For every dollar Australia spends, China is now spending 19 in consumption and investment. We are adjusting – yes, even with flurries and anxiety attacks – to the new reality of a rich China with strategic ambitions to match.

Does China represent a military threat to Australia? Like 82 percent of Australians I believe it doesn't. Would I be happier if China were a multi-party democracy with primary elections every four years in Shandong and Guangdong? You bet. Apart from anything else it would be sensationally entertaining. But it will not arrive

because of Western lectures but because middle-class Chinese insist on pluralism. In the meantime, I've expressed my disappointment at the abandonment of the two-term limit on Chinese leaders and adhered to the same tack on human rights in China that all our foreign ministers have taken.

At the University of Technology Sydney last Thursday I and two colleagues met a delegation from the China Academy of Social Studies. I told them China's Belt and Road Initiative needed global standards of transparency and a flow of specific projects. That, I said, was the Australian consensus. I then laid out the Australian position on the South China Sea – for the rule of law, no pre-emptive moves, no militarisation – in the same language as anyone in the Australian government, even in 2017. An anti-China fanatic bugging the meeting could cherry-pick my opening remarks praising the BRI's focus on roads and bridges. Or me saying Australia won't run freedom of navigation patrols.

By the way, I assumed the delegation comprised Communist Party members. I assume every delegation from China does. Still, we talk. That's diplomacy and, after every panic, we will keep returning to it because it is in Australia's national interest.

Bob Carr, former NSW premier and Australian foreign minister, is director of the Australia-China Relations Institute at the University of Technology Sydney.