

With China-Taiwan tensions ratcheting up, is Australia getting best advice from places like Australian Strategic Policy Institute

James Laurenceson
August 13 2022

Note: This article appeared in *The Canberra Times* on August 13 2022.

As tensions ratchet up in the Taiwan Strait, Australia's relationship with China risks being caught up in the fallout. The modest improvements in official relations since May could quickly be reversed.

Canberra needs to be getting the best possible advice to advance the national interest. And Australians deserve an informed and balanced discussion of China and relations with Beijing.

Feeding prominently into vital debates around China in recent years has been the Australian Strategic Policy Institute (ASPI).

The [ASPI charter](#) mandated that, in view of receiving multi-million dollar taxpayer funded grants on a non-competitive basis, it would strengthen policy formation by providing government with 'contestability of advice' and a 'range of alternative views'. Yet when it comes to China, instead of delivering diversity, ASPI has drawn on immense public resources to lead the local anti-Beijing charge.

Over the past decade ASPI has also embraced a business model that sees its Commonwealth funding supplemented with rapidly increasing support from foreign governments and industry partners, including weapons manufacturers. It is a statement of the obvious that many of these supporters have a self-interest in promoting more adversarial Australia-China relations.

And that Australia's former uber-China hawk Defence Minister, Peter Dutton exercised a 'captain's pick' to appoint ASPI's new [executive director, a long-time Coalition staffer, is now on the public record](#).

ASPI is sometimes the target of criticisms that go too far. It is generally transparent about its funding sources. And the issue of most pressing concern is the rigour of its work. The 'cost of Defence' [budget brief series](#) is an example of an ASPI output that ticks the quality box.

Nonetheless, it is vital that ASPI's research and commentary continues to be subject to independent, expert evaluation, particularly when these have relevance for Australia-China relations.

Consider a recent report that accompanied the launch of a new Washington office - an endeavour for [which Dutton deemed worthy](#) of extending yet another non-competitive, taxpayer-funded grant worth \$5 million.

Purporting to offer an 'Australian view' on the Biden administration's Indo-Pacific Economic Framework (IPEF), the report claimed to be based on interviews with 'officials from across the Australian government and industry bodies...'.
.

The conclusion? The IPEF was seen within the Canberra bureaucracy and among industry leaders, ‘as an opportunity to bring more investment into the Indo-Pacific region, shape standards setting, form collective solutions to supply-chain risk ...’.

This upbeat ‘Australian view’ would certainly have been welcomed in Washington, which is keen to portray the IPEF as a counter to China’s regional economic influence.

The authors emphasised that ‘understanding the ‘offer’ is crucial to understanding the IPEF’, in particular, ‘as Australian officials have pointed out, the IPEF isn’t a trade agreement’. Rather, ‘it relies on inward investment ... as the alternative to market access.’

The first question to ask then is who were the ‘Australian officials’ providing these views? The report does not say. Nor did it explain why granting them anonymity was deemed ethically appropriate.

How many were interviewed? Was it a representative sample, drawn evenly from across relevant departments? Were all industries bodies consulted? The reader is none the wiser.

Leaving aside methodological concerns, what was the report’s motivation, its purpose? For example, having on-the-record rebuttals by ‘Australian officials’ of the [weaknesses](#) that independent analysts have levelled at the IPEF could potentially be of value in promoting more robust policy formation and greater public understanding. Yet such critical analysis was nowhere to be found.

Australians deserve to know that 18 months into the Biden administration, what the White House actually delivered was an [announcement](#) to ‘launch collective discussions toward future negotiations...’.

And to be made aware that even this announcement was only made possible by presidential executive order, which could readily be revoked by a future president with the stroke of a pen. This is hardly a stable foundation upon which to pursue serious negotiations of the type that might justify allocating scarce diplomatic resources. Negotiation ‘outcomes’ [are not expected](#) to be binding anyway.

Given all this, perhaps the ‘Australian officials’ could have explained how exactly IPEF offers a credible pathway to promoting greater inward investment. Ditto its ‘standards setting’ potential. And if Washington had the region’s interests at heart, they might also make clear why China has been excluded, despite it being the most important economic partner for a majority of IPEF members.

In May, Singaporean Prime Minister Lee Hsien Loong summed up the regional assessment when he announced that while his country would be part of IPEF – it was cost-free to ‘sign up’, after all – ‘it is far better that China’s economy be integrated into the region, than for it to operate on its own by a different set of rules’.

The Albanese government needs better than second-rate advice to stabilise relations with China, and perhaps, even chart a modest improvement in the trajectory. ASPI can be part of the mix. But if it doesn’t lift its game, it should be made a smaller part.

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