



Australia's tilt on China: An update

In July 2017 the Australia-China Relations Institute (ACRI) published the fact sheet 'Australia's tilt on China', which details Australian government representatives' statements on China and the Australia-China relationship in the first half of the year.¹

Since this time, the messages sent on the bilateral relationship have been mixed.

Addressing the Asia Society in New York on September 22, Australian Foreign Minister Julie Bishop said:²

We support China playing a greater leadership role in reinforcing and strengthening the rules-based order that has enabled its rise and continues to underpin its growing prosperity.

Minister Bishop repeated this sentiment in a November 23 speech on the 45th anniversary of Australia's diplomatic relations with the People's Republic of China:³

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1 Elena Collinson, 'Australia's tilt on China', Australia-China Relations Institute fact sheet, July 4 2017 <<http://www.australiachinarelations.org/content/australias-tilt-china>>.

2 Julie Bishop, 'Address to the Asia Society', speech transcript, September 22 2017 <https://foreignminister.gov.au/speeches/Pages/2017/jb_sp_170922a.aspx>.

3 Julie Bishop, '45th Anniversary of Australia-China Diplomatic Relations', speech transcript, Melbourne, November 23 2017 <https://foreignminister.gov.au/speeches/Pages/2017/jb_sp_171123.aspx?w=tb1CaGpkPX%2FIS0K%2Bg9ZKEg%3D%3D>.

[The importance of the rules-based order] lies in the fact that it has seen the greatest expansion of prosperity in human history, hundreds of millions of people being lifted out of poverty in recent decades. Australia and China with all nations must work together to strengthen and defend that international rules-based order because we all stand to benefit.

I particularly want to acknowledge that with China's growing power and influence it has taken on a global role in supporting that international rules based order and I use the example of China's principled stand in supporting and defending the United Nations Security Council in upholding its authority in relation to the egregious behaviour of North Korea.

In her Confucius Institute Annual Lecture at the University of Adelaide on October 7, Secretary of the Department of Foreign Affairs and Trade, Frances Adamson said:⁴

In such promising times, both countries should be mindful of the risk of taking things for granted; of assuming our flourishing trade relationship – or the welcome progress in the links between our Governments and people – can be run on a sort of 'autopilot'.

While we are complementary economies, there is no getting around the fact that Australia and China are very different places, with different

4 Frances Adamson, 'Confucius Institute Annual Lecture: Australia and China in the 21st Century', speech transcript, October 7 2017 <<http://dfat.gov.au/news/speeches/Pages/confucius-institute-annual-lecture.aspx>>.

political and legal systems, values and world views.

Nonetheless, we are brought together by geography and shared interests today in ways that could not have been imagined 200 years ago. It is incumbent on us, today, to make sure the relationship is developed with an eye to more than simple convenience.

In a speech at Deakin University on November 17 Minister Bishop stated:⁵

The most dramatic illustration of economic success in recent times is China's remarkable rise which has been occurring since reforms that began in 1979.

...Australia is a major beneficiary of China's rise, as are many other nations.

...Rising prosperity means that countries naturally seek to expand their sphere of influence and protect their growing interests.

...As one would expect, the lion-share of growth in military spending is occurring in China which currently accounts for around 40 percent of all military expenditure in East Asia.

However, China is only one of several significant powers in our region.

Page one of the Australian government's Foreign Policy White Paper, launched on November 23, states:⁶

In the Indo-Pacific, the economic growth that has come with globalisation is in turn changing power balances. The United States has been the dominant power in our region throughout Australia's post-World War II history. Today, China is challenging America's position.

At the same time, page four of the paper notes:⁷

The Government is committed to strong and constructive ties with China. We welcome China's greater capacity to share responsibility

for supporting regional and global security. We seek to strengthen our Comprehensive Strategic Partnership for the benefit of both nations.

In his speech launching Australia's Foreign Policy White Paper, Prime Minister Malcolm Turnbull stated:⁸

This is the first time in our history that our dominant trading partner is not also our dominant security partner. We must see this as an opportunity not as a risk.

During the press conference following the White Paper's launch, Prime Minister Turnbull emphasised the importance of Australia's trade relationship with China, and the Australian Chinese community:⁹

Nobody is talking about containment...we have an enormous trade relationship with China. You know, we have a big trade surplus with China.

We could not imagine modern Australia without a million or more Australians of Chinese ancestry.

(For a full account of the White Paper, see ACRI fact sheet 'China in Australia's Foreign Policy White Paper', November 23 2017).¹⁰

Comments such as these have tended to be overshadowed by reporting of government announcements on political donations and foreign influence.

On December 5 the Australian government announced legislative reforms targeting foreign interference and espionage. The media release stated:¹¹

5 Julie Bishop, '2017 Alfred Deakin Institute oration', speech transcript, November 17 2017 <https://foreignminister.gov.au/speeches/Pages/2017/jb_sp_171118b.aspx>.

6 Australian Government, *2017 Foreign Policy White Paper*, p. 1 <<https://www.fpwhitepaper.gov.au/foreign-policy-white-paper>>.

7 Ibid., p. 4.

8 Phillip Coorey, 'Foreign policy white paper: Australia's US, China challenge hasn't changed', *Australian Financial Review*, November 23 2017 <<http://www.afr.com/news/foreign-policy-white-paper-australias-us-china-challenge-hasnt-changed-20171122-gzr39f>>.

9 Malcolm Turnbull, 'Press conference at the launch of the Government's Foreign Policy White Paper', transcript, Foreign Minister of Australia, November 23 2017 <<https://www.juliebishop.com.au/press-conference-launch-governments-foreign-policy-white-paper/>>.

10 Elena Collinson, 'China in Australia's Foreign Policy White Paper', Australia-China Relations Institute fact sheet, November 23 2017 <<http://www.australiachinarelations.org/content/china-australias-foreign-policy-white-paper>>.

11 Prime Minister, Attorney-General, and Minister for Finance, 'Protecting Australia from foreign interference', media release, December 5 2017 <<https://www.pm.gov.au/media/protecting-australia-foreign-interference>>.

The foreign influence and interference package will be complemented by another bill on electoral reform to ban foreign political donations.

...The Government will introduce the most comprehensive foreign donations ban ever considered by an Australian Government.

In a statement to the press on the legislative reforms, Prime Minister Turnbull said:¹²

We have recently seen disturbing reports about Chinese influence. I take those reports, as do my colleagues, very seriously. But these reforms are not about any one country. Foreign interference is a global issue.

In the Australian House of Representatives on December 7 Prime Minister Turnbull stated:¹³

Our relationship with China is far too important to put at risk by failing to clearly set the terms of healthy and sustainable engagement. Modern China was founded by the statement that Chinese people have stood up. And today, and every day, the Australian people stand up and assert their sovereignty in our nation, with our parliament and with our laws.

On December 9 Prime Minister Turnbull repeated this statement to journalists on the sidelines of his campaign in Bennelong.¹⁴

In a panel discussion at the Australian National University on December 8, Australia's Ambassador to the United States, Joe Hockey reportedly said that Chinese interference threatens the democratic values Australians have 'fought and died for':¹⁵

12 Prime Minister of Australia, 'Press Conference with Senator the Hon. George Brandis QC, Attorney-General and Senator the Hon. Mathias Cormann, Minister for Finance', transcript, December 5 2017 <<https://www.pm.gov.au/media/press-conference-senator-hon-george-brandis-qc-attorney-general-and-senator-hon-mathias>>.

13 Malcolm Turnbull, House of Representatives, 'National Security Legislation Amendment (Espionage and Foreign Interference) Bill 2017 - Second Reading', Hansard, December 7 2017 <https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansardr/716f5e71-dee3-40a3-9385-653e048de81b/&sid=0192>.

14 Sky News, 'PM confirms foreign political interference', *Sky News*, December 9 2017 <<http://www.skynews.com.au/news/top-stories/2017/12/09/political-candidates--china-ties-revealed.html>>.

15 Rosie Lewis, 'Joe Hockey's stark warning to Australia over Chinese interference', *The Australian*, December 9 2017 <<http://www.theaustralian.com.au/national-affairs/joe-hockeys-stark-warning-to-australia-over-chinese-interference/news-story/0131a56a27a6ce8658aa065e805c8947>>.

There's just a low-key inquiry going on in Washington into Russian influence...I'm not suggesting China is engaging in those particular activities, but there's obviously a fair bit of evidence they have sought to influence policymaking in Australia. It is a really serious issue and it represents a threat to what many Australians fought and died for and that is a free and transparent and open democracy.

You can't let democracy be run or influenced by other countries.