6月

7月

8月

9月

10月

11月

12月

2017年1月

2月

3月

4月

5月

6月

7月

8月

9月

4

CHINA'S POWER, THE UNITED STATES, AND THE FUTURE OF AUSTRALIA

Hugh White

Turnbull selfie with Quang, Trump, and Xi
Source: Wikimedia Commons

2017 WAS THE YEAR Australians started to understand that China will do a great deal more to shape their country's future than just buying its exports. They began to see that China's ambitions to transform East Asia and become the region's leading power need to be taken seriously. They began to see that China's plans to reshape the regional — and indeed global — economic order need to be taken seriously too. And they began to see that China has both the means and motivation to exercise more influence over Australia's internal affairs than any Asian country had ever done before. In other words, they began to understand China's power, and it made them uneasy.

Julie Bishop and Malcom Turnbull
Photo: Wikimedia Commons

This growing awareness of China's power could be seen both in the government and in the wider community. The government's perspectives were revealed in two major speeches given in Singapore in March and June by Foreign Minister Julie Bishop and Prime Minister Malcolm Turnbull. Both speeches went much further than any previous official statement in acknowledging China's ambitions for regional leadership. The prime minister's words were especially stark. 'Some fear that China will seek to impose a latter-day Monroe Doctrine on this hemisphere in order to dominate the region, marginalising the role and contribution of other nations, in particular the United States', he warned.

There were several reasons for this. For a long time, Australian observers, like many others especially in America, had clung to the assumption that China would falter before it grew strong enough to seriously challenge the geopolitical status quo. But this did not happen. Instead, despite serious problems, China's economy kept growing. Its economic reach seemed set to extend even further as the scale and implications of the Belt and Road Initiative (BRI) became clear. If it realises its full potential — which is still far from assured — the BRI would consolidate and deepen China's central place in the regional and global economic infrastructure. Meanwhile, by nurturing its capacity for innovation in key technologies,

China expects that it can sustain relatively high rates of economic growth for several more decades. This makes it even more likely, notwithstanding some serious medium-term structural challenges, that it will not just edge past America's GDP, but overtake it and become the world's largest economy by a big margin before the middle of the century.

Likewise, China's political system has thus far failed to succumb to the pressures that many had so confidently assumed would have overwhelmed it by now. Clearly, there are real risks in the highly personalised and centralised leadership model displayed at the Nineteenth Party Congress, and no one can be sure how well it will work. However, it is becoming less and less likely that China's ascent will suddenly be halted and reversed by political turmoil. At the same time, the consolidation of Xi's leadership reaffirmed his uncompromisingly authoritarian vision of China's political future. This, perhaps, at last put paid to the surprisingly persistent illusion that as China grew richer and stronger it would also become more liberal, more open, more democratic, more smoothly integrated into existing global systems, and less likely to try to impose its own system or will on the rest of the world. Now it has become clear that the China which is set to become the world's biggest economy, and, on some measures, the world's most powerful state, is still the Communist Party's China, and not the kind and gentle place we would like it to be. We have come to understand that China will most likely use its power at least as selfishly and ruthlessly as America and Britain have used theirs, and perhaps more.

Australians' growing awareness of China's power and ambition was sharpened by the recognition that this was already being directed at Australia itself. In 2017, they became suddenly more aware of the range and depth of China's efforts to influence Australian internal affairs. This was thanks to a much-discussed ABC-Fairfax joint investigation culminating in a *Four Corners* program 'Power and Influence: The Hard Edge of China's Soft Power', which brought together in dramatic presentation a range of issues and allegations about the activities by Beijing and its supporters. China, it seemed, was everywhere.

CENSORING THE ACADEMY: THE CAMBRIDGE UNIVERSITY PRESS SCANDAL AND BEYOND, by Nicholas Loubere

In mid-August, Cambridge University Press (CUP) conceded that it had acted on a request from Chinese authorities to block 315 articles from the Chinese website of *The China Quarterly* — one of the world's most prestigious and long-running international China studies journals. CUP's decision prompted outrage in the academic community and beyond. After a few days of petitions and threats of an academic boycott, CUP reversed its decision and agreed to make all the censored articles available free of charge worldwide. While the scholarly community was successful in pressuring CUP, this incident exposed the serious challenges that face academic publishers operating in the lucrative Chinese market.

In the months after the CUP incident, an avalanche of revelations kept the spotlight on Beijing's continued attempts to influence academic publishing. In anonymous interviews at the Beijing International Book Fair in late August, other commercial publishers admitted to engaging in self-censorship in order to retain access to the Chinese market. There have also been disturbing revelations that censors have been systematically deleting articles from Chinese studies journals published during the Maoist period that do not toe the current ideological line — effectively censoring the historical record. It was also discovered that LexisNexis, a provider of legal, regulatory, and business information, withdrew content in China at the request of the authorities.

Beijing has responded defiantly to the international condemnation, inviting Western institutions to leave China if they do not wish to follow Chinese rules, and warning that all imported publications 'must adhere to Chinese laws and regulations'. The Chinese government has also continued to exert pressure on foreign publishers with business interests in the country. In late October, Springer Nature — one of the largest commercial academic publishers in the world — admitted to capitulating to the Chinese censors, blocking access to at least one thousand 'politically sensitive' articles on their Chinese website. The publisher defended the decision by saying that only one per cent of total content had been 'limited', and claiming that it was necessary to comply in order to avoid wider restrictions. In mid-November, Australian academic Clive Hamilton went public with allegations that Allen & Unwin had withdrawn his forthcoming book *Silent Invasion: How China Is Turning Australia into a Puppet State* due to fears of defamation litigation. In late November, SAGE Publishing — another massive global commercial publisher — revealed that they were warned by partners in China that they might be required to censor content or be pushed out of the Chinese market.

Cambridge University Press self-censored to appease the Chinese government

Source: Global Grid for Learning, Flickr

The increasing assertiveness of Chinese censors and their zeal to push foreign publishers to self-censor in order to access the large Chinese market has resulted in numerous media headlines and petitions by angered academics. However, despite high-profile coverage of the CUP, Springer Nature, and Clive Hamilton incidents in particular, the response from the wider academic community has been largely apathetic. Even in the China studies community, the revelations of censorship have mainly sparked short-term outrage directed at the Chinese government and individual publishers. Thus far, discussions have generally failed to address the more fundamental problems surrounding commercial publishing in academia, and the ways in which the profit motive prompts publishers to acquiesce to the demands of powerful economic actors such as the Chinese state.

Beijing's efforts to influence foreign academia have not been limited to the publishing sphere. In mid-November, the Ministry of Education instructed over two thousand foreign-funded joint venture universities in China to set up Communist Party units and give the new Party secretaries a role in decision-making through seats on institutional boards. This move comes at the end of a year filled with controversy about Chinese influence in higher education institutions abroad — particularly in Australia, where a major investigative report by the ABC's Four Corners program and Fairfax accused the Chinese government of organising students to demonstrate on behalf of Chinese state interests and setting up spy networks within Chinese student communities.

But the most significant reason why Australians started worrying more about China in 2017 had nothing to do with China at all. It had to do with America, and the election of Donald Trump as president. Previously, Australia had depended absolutely on America to keep China in check and ensure that its growing power did not threaten Australia, or disrupt the stable regional order that has served Australia's interests so well for so long. Political leaders on both sides of the aisle, their public service advisers, and most of the academics and commentators who debate such issues had been unshakably confident in America's ability to do this despite China's growing power. Their confidence was reflected in the mantra: 'Australia does not have to choose between America and China'. They assumed that America and China would never be strategic rivals, because America's power and resolve would compel China to accept US regional leadership indefinitely into the future: that China would have to respect the 'global rules-based order'. And that meant Australia had nothing to fear from China's power.

Past the Pivot

These assumptions were already looking shop-worn as Barack Obama's presidency drew to a close. His 'Pivot to Asia' was supposed to convince China of America's determination to preserve its leadership in Asia, and to deter it from pursuing its ambitions to build 'a new model of great power relations'. It failed to do so. Instead, Beijing used territorial and maritime disputes in the East and South China Seas to test US resolve — tests that Washington failed by showing that it was not willing to risk a confrontation. China's neighbours were not willing to back America for fear of China's response. And Obama himself was not willing to jeopardise cooperation with Beijing on issues like climate change. The costs and risks of containing China's ambitions in East Asia were greater than Washington was willing to bear.

And then came Trump, whose remarkable 'America First' campaign broke all the rules of US politics by repudiating America's responsibility for defending its allies and upholding the international order of which the US was a chief architect, and abandoning the nation's long-standing commitment to free trade. In office, his style of governing has been extraordinarily erratic, but amid the chaos it is plain that he will not deviate much, if at all, from the attitudes he campaigned on. Australia has never encountered a US president less likely to serve its interests in upholding stability in Asia, and one less interested in an effective response to China's challenge.

But America's problems in Asia go deeper than Obama's timidity or Trump's belligerent isolationism. They reflect fundamental new realities in the relative power, interests, and resolve of America and China. To see these realities, we need to understand the nature of their contest. The two richest and strongest countries in the world are rivals for the leadership of the world's most dynamic region. This is power politics for the highest stakes, in which the threat of force is never far from the surface. War is not the inevitable outcome of such a contest, because it is always possible

Part of Trump's America First campaign, March 2017

Photo: Wikimedia Commons

for one side to pull back, or both sides to compromise. But the willingness of each side to use force, and the perceptions each has of the other's willingness to use force, are central to the outcome. Neither side wants to fight, but each wants to convince the other that they would fight rather than concede on issues they consider key, hoping that this will persuade the other to back off.

That is what we see playing out in the flashpoints of the South China Sea and East China Sea. And so far, China is winning because its interests in the region are stronger for reasons of geography, and history. China can more easily convince America it is willing to go to war over the leadership of Asia than vice versa because Asia is China's backyard. It would be the other way round if they were competing in the Caribbean. But in Asia, China's resolve is stronger because its interests are greater, and the more equal the two countries become in power, the more the difference in resolve works in China's favour. No-one can doubt how serious China is about regaining its place as East Asia's leading power. The decades of 'Bide and Hide' are over: Xi's China, confident in its power and clear in its ambition, is ready to claim leadership.

President Donald Trump and First Lady Melania Trump during a visit to China, accompanied by President Xi Jinping and First Lady Peng Liyuan

Source: Official White House photo, Shealah Craighead

America will only be able to retain strategic leadership in Asia if it can convince China that it is more determined to preserve the status quo than China is to regain its historical position as Asia's leading power. And by 'more determined' we mean more willing to fight a major war, perhaps even a nuclear war, to do so. That is a case that has to be made consistently and compellingly by US leaders, and accepted by American voters. It is not just Donald Trump and Barack Obama who have been unwilling and unable to do that. It is hard to imagine that anyone could.

This is why America's strategic leadership in Asia is ultimately likely to fade, and China's to grow. It is a big change. But it is just what we would expect from the biggest and fastest shift in the distribution of global wealth and power since the Industrial Revolution — and that is what China's rise is. Nothing is inevitable in human affairs, but China will likely take America's place as the preponderant power in East Asia. Donald Trump has just made the transition faster and the outcome plain for all to see.

Australians have, therefore, and rather suddenly, been brought face-to-face with a very sobering and unfamiliar reality. We might well find ourselves alone in Asia without an Anglo-Saxon 'great and powerful friend' for the first time since European settlement. Of course, Australia has changed a lot from the Anglo-Saxon enclave that it was. Our people today include one million ethnic Chinese, nearly half of them born in the PRC. More broadly, nearly half the population are first- or second-gener-

ation immigrants, and, for many of these, the ‘Anglo-Saxon friend’ might well seem less reassuring than Australia’s policy elites still assume.

Nonetheless, the fear that we might find ourselves without that friend has created the first stirrings of mild panic in Canberra and beyond. Until this year, both Liberal and Labor governments have been reluctant to risk relations with Beijing by doing or saying anything to support US leadership in Asia that could be seen as anti-China. They have stuck with the deal John Howard reached when he set the terms of the relationship as we know it today in 1996, by promising Jiang Zemin that nothing Australia did as a US ally would be directed at China.¹ But now, confoundingly, as America looks less and less reliable, Canberra is becoming more and more willing to back it — even, it seems, at the risk of ructions with Beijing. There seemed no need to take such risks while America’s position in Asia seemed assured. Now, with Donald Trump, they have finally woken up to the fragility of US primacy, and the uncertainty of US support for Australia, and they have decided that they need to do more to buttress both.

A New Tone

This was, one assumes, one motive behind the sharp new tone of Julie Bishop’s and Malcolm Turnbull’s speeches in Singapore. They were urging Donald Trump’s Washington to confront Xi Jinping’s Beijing more directly, and showing the US Australia’s eager support. It is a risky ploy: there is little reason to think that these messages will be heard in today’s Washington, and none at all to imagine that they would make any difference if they were heard. We may be watching the rats scrambling aboard a sinking ship, rather than abandoning it.

Our political leaders may also be responding to a subtle shift in the domestic politics of our relations with China. For a long time, Canberra’s orthodoxy has been that good relations with China were good politics, and any hint of tension or discord was to be avoided at any cost. This is because politicians assume that the electorate cares little about what happens in

Former prime minister John Howard
Photo: Wikimedia Commons

China itself or elsewhere, while understanding that Australia's economic future lies in China's hands. But rising public anxiety about China's influence in Australia may be shifting the political calculations a little. Perhaps our political leaders are succumbing to the temptation to reflect public anxiety back to the electorate — what you might call the politics of fear. This has, after all, been an increasingly common pattern in Western politics in the past decade or two. Many countries have been touched by the politics of identity, tinged with xenophobia, Australia among them, despite the striking demographic changes this country has experienced (or perhaps, in some regards, because of them). Weak political leaders have found it hard to resist, and we have plenty of those.

It is a long time since our political leaders felt any inclination to think about Australia's Asian destiny, and to explore the question of what it meant for our identity — since March 1996, in fact, when John Howard became prime minister. For Howard, Asia was always a bit of a chore. Asia for him was a place we did business with, not a place we embraced or identified with. He explicitly repudiated Keating's zeal for Australia's Asian future, and his failure to immediately condemn or at least distance his government from the overt xenophobia expressed in Pauline Hanson's maiden speech to parliament reflected his own unease at the thought that Australia's identity might be shaped by our geography rather than by our history. When Howard said, as he often did, that Australia did not have to choose between its history and its geography, what he meant was that we could do business with Asia without changing what he imagined to be an essential and unchanging identity that had been inherited from the Anglo-Saxon traditions we share with Britain and America.

All this was easier for Howard to believe, and for many other Australians to accept, because of the circumstances of the late 1990s. America seemed to have emerged from the Cold War in a position of unchallenge-

able and unprecedented global power. Enthusiastic scholars and journalists across the Western world drew comparisons to Rome at its height, and spoke of a unipolar global order in the twenty-first century, built on American principles, upheld by American strength, and welcomed by all the world's major powers. In such a world, every region, including Asia, would be shaped by America. Why, then, would Australia, America's closest ally, allow itself to be shaped by Asia, when we assumed that it was Asia that was being shaped by America? Future historians looking back on the past couple of decades will see in our assumption that the world was inevitably Westernising an echo of the complacency of the high imperialism of the late nineteenth century. As a result, while our economic and demographic enmeshment with Asia generally and China in particular intensified, our political, strategic, intellectual, and cultural engagement with Asia has plainly waned, as the collapse in Asian-language learning so starkly shows.

Much has gone wrong for America since those heady post-Cold War days, but this image of a US-led global order — the 'rules-based global order' that Malcolm Turnbull and his colleagues invoke so often — remains central to Australia's view of its place in the world. Hence the tension at the heart of Australian foreign policy today. On the one hand, we have trouble envisioning Australia finding its way in an Asia where America is not the region's leading power. On the other hand, we can no longer credibly expect that America will continue to lead.

The resulting contradictions were plainly displayed in the speeches by Turnbull and Bishop mentioned earlier, and in the Australian Government Foreign Policy White Paper released in November 2017.³ The White Paper carried three key messages. First, that China's ambitions threaten the US-led rules-based order in Asia on which Australia's prosperity and security has hitherto depended. Second, that American power and resolve in Asia could no longer be taken for granted. And third, that Australia can and should nonetheless continue to rely on America to resist China's challenge and preserve the rules-based order. In a remarkable chart, [Figure

2.4 on p.26] the White Paper itself provided the key reason why this was so unlikely to work. The chart displayed Treasury estimates of the GDP of China and the US in 2030 in Purchasing Power Parity terms — PPP accounts for the difference in prices of goods and services between countries. It showed China's at US\$42 trillion and America's at US\$24 trillion. The text in the White Paper made no reference to this startling prediction, which so vividly captures the shift in the distribution of wealth and power from the US to China, and completely undermines the document's confidence that US leadership in Asia can be sustained.

The same tensions can be seen in a major speech by the Labor Opposition's Shadow Minister for Foreign Affairs, Senator Penny Wong, in October 2017. After a nuanced and impressive account of China's significance to Australia, Wong had this to say:

Our long-term relationship with China will not be delivered at the expense of our relationship with the US. It will be delivered to a very significant extent because of the strength of our relationship with the US. ANZUS not only underpins our national security, it is a key contributor to the peace, stability and security of our region.²

And later, after rejecting 'any suggestion that China should be contained', she said:

What Australia, China and the US are looking for is a convergence, as far as is practicable, of our individual national interests in Asia, locating those interests within a rules-based order.

But this is just wishful thinking. There is no evidence at all that China seeks 'convergence' of its interests with those of Australia or America in Asia. Its aim is to minimise US power and influence in the region, not to accept America as 'a key contributor to the peace, stability, and security'. And that is plainly not in either America's or Australia's interests, at least as these interests have traditionally been conceived.

So our political leaders have not yet admitted to the rest of us, and perhaps not even to themselves, what is plain to see: Australia's long-term relationship with China will no longer be mediated by American power. For the first time in the 230 years since European settlement, Australia today must decide how to make its own way in Asia, and set the terms of its relations with a dominant China without the

mediation of a Western protector. We have hardly known a more critical moment in our history, and we have no idea how to proceed.

The White Paper's only suggestion is to align ourselves with other Asian democracies, as well as the US, to contain China's challenge — an idea embodied by the revival of the Quad proposal for closer strategic alignment between the US, Australia, India, and Japan, which was briefly in vogue towards the end of 2017. The idea presupposes that the interests of these four countries align sufficiently for them to act effectively together to contain China's power. The Quad's advocates assume this to be true because they are all democracies and all feel threatened to varying degrees by China's ambitions. But it is not at all clear that this is sufficient to overcome the immense interests that each of them have in maintaining good relations with China. The potential for effective cooperative action that genuinely constrains China is entirely unproven.

So what should Australia be doing? Part of the answer is to get to know China far, far better than we do now, as people like Stephen Fitzgerald,⁴ Linda Jakobson and Bates Gill⁵ have been urging. Another, and perhaps even bigger, part of the answer is to understand ourselves better, because how we respond will define our identity for decades, if not centuries, to come.

Dr Stephen Fitzgerald with Premier Zhou Enlai, ca. 1973–76

Source: National Library of Australia

This text is taken from *China Story Yearbook 2017: Prosperity*,
edited by Jane Golley and Linda Jaivin, published 2018 by ANU Press,
The Australian National University, Canberra, Australia.

doi.org/10.22459/CSY.04.2018.04