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From Geremie R Barmé, Director CIW, Introduction to the CIW-CICIR Report:

Australia and China, A Joint Report on the Bilateral Relationship

In its earliest days the Australian Centre on China in the World initiated a collaboration with one of China’s leading think tanks, the China Institutes of Contemporary International Relations (CICIR). From first contact, we emphasized the desire for frank dialogue, not a dialogue premised on talking past each other, but rather to be in exchange with each other. We were thinking of the kind of frankness essayed by [the former Prime Minister] Kevin Rudd in April 2008 when, during an address to students at Peking University, he spoke of the particular amity displayed by a zhengyou (诤友 / 靭友), “a partner who sees beyond immediate benefit to the broader and firm basis for continuing, profound and sincere friendship.” Elsewhere zhengyou has been described as “an empathetic and engaged friend who can disagree, a trusted interlocutor, a principled partner in understanding.”

At a number of informal discussions and formal workshops in China and Australia during 2010-2011, our Centre discussed the possibility of collaboration with CICIR. We formed a writing group consisting of both CICIR and CIW colleagues that took upon itself the task of drafting an initial report on the “state of the relationship” between Australia and the People’s Republic of China.

We chose to work with CICIR because it is one of the leading Chinese foreign policy think tanks and because, due to its institutional linkages, it has access to the highest levels of the Chinese government. As a national centre working on China we at CIW intend for the CIW-CICIR Report to have relevance to policy on both sides; it is deliberately designed to be part of a bilateral discussion that is conducted at both official and non-official levels. Careful and gradual conversation over many months has produced a unique document on the relationship, distinct from all other examples of government, business, defence and journalistic stock-taking.

This CIW-CICIR Report was jointly prepared by a research institution in Canberra and a government-linked think tank in Beijing. We have throughout been aware that the nature and composition of our writing teams reflect different institutional realities. The collaboration, robust and fruitful, also reflects the nature of our two societies and polities. I would suggest that the process of preparing the report has been at least as significant as the actual report itself. The serial rounds of discussions between Australian and Chinese colleagues were forthright and at times hard-hitting, and the process itself has had an impact on both sides.

On the Australian side the report reflects views freely arrived at by CIW. Yet we involved senior Australian public servants in the early rounds of discussions, in order to ensure our endeavour was relevant to Australia’s policies, and to assure our Chinese partners of the seriousness with which we approached the project. We also shared drafts of our material with academic colleagues and members of the business community.

The report itself makes clear that it is an overview designed to identify common ground and common interests that can form the basis for more detailed and specific projects. Given the differing realities of our two countries it is significant that we have been able to identify so much common ground, without in any way trying to skirt or disguise areas where our perspectives do not align, or where we disagree. We were also particularly mindful of the importance of articulating clearly the areas of disjuncture and friction, as well as offering shared suggestions about how these may be recognized and, perhaps, addressed.

1 To read the report in full please visit: http://ciw.anu.edu.au/joint_report/index.php
THE WAY FORWARD – SOME SUGGESTED PRINCIPLES

The common view of the authors of this report is that both Australia and China have a shared interest in the continued development of a strong bilateral relationship. By building on our shared history and our contemporary engagement in all fields, and continuing to foster our ties and contacts, we believe that the relationship will continue to develop, one that will help underwrite the prosperity of both nations at the same time as making a positive contribution to regional and global stability.

Below, we offer in brief, some principles that we believe can help guide the development of the relationship, enhance shared opportunities and contribute to overcoming possible challenges. These are not specific policy recommendations. They are a suggested approach for all parties to adopt in contributing to the furtherance of the relationship.

1. The first principle is that a stronger bilateral relationship will require deeper links in all areas and an expansion of the relationship into new areas. All those involved in the relationship should seek new opportunities for engagement. Government-to-government relations are a critical element of the relationship. Governments will need to utilise fully existing consultative mechanisms to expand cooperation in a wide range of areas, including through efforts to remove trade barriers and to promote cooperation in new and emergent fields. However, the relationship does not just belong to governments – it is the sum of all of the engagements between Australia and China across a wide range of sectors. Each sector that is involved in the relationship has an interest in its ongoing development. Much of the growth will be driven by economic incentives. But there is still great scope and a need for those involved on both sides to seek to expand their engagement, including through cooperation between and across different sectors and groups in both countries.

2. The second principle is that all sectors in both countries that have a stake in the relationship should play an active part in supporting serious, mature discussion of the relationship as a way to add greater depth and resilience to it. It is our shared view that a wide-ranging, serious and mature discussion about the future of the relationship that identifies the depth and breadth of interests we share will add greater depth to the relationship and make it more resilient. All those with an interest in the relationship should be encouraged to engage in the discussion and to articulate clearly their views of and avenues for support for the development of a stronger relationship. A well-informed public is essential for the development of a healthy and sustainable relationship between Australia and China.

2a. Contributions to this discussion about the relationship between Australia and China need to reflect the complexity and depth of the relationship. Articulating a clear vision for the long-term future of the relationship is an important element of the discussion.

The interests at stake in this relationship are substantial for both countries. A strong relationship between Australia and China will underwrite future prosperity for both countries and make a crucial contribution to the stability of our region and indeed the world. Within and between Australia and China, a serious and mature discussion about the relationship would assist in developing a more sustainable foundation for the future. A discussion that reflects the realities of the complexity of the relationship and its ongoing evolution will inform people in both countries. National leaders in all sectors have a key role to play in showing the way by articulating a vision of the bilateral relationship that is sophisticated and nuanced, as well as being one that is grounded in current realities. Such a vision should focus not simply on the short-term benefits, but also on what is needed to sustain and nurture long-term engagement in light of the possible trajectories.
for both nations. The vision needs to reach beyond the next transaction. Engaging a broad section of the population through a range of media will help to promote these messages.

2b. Australia and China should further develop mutual understanding. This means greater business, government and non-government sector investment in developing and sharing knowledge and scholarship. It also means regular face-to-face contact at all levels.

A serious and mature discussion about the relationship needs to be based on a strong understanding of each country. Over the course of the next two decades, Australia and China will become more important to each other. The potential benefits of this closer relationship are immense. The potential costs of problems in the relationship will also grow.

Both Australia and China bring their own perspectives and histories to the relationship. Our interests are best served by avoiding unnecessary friction. But we also need to recognize that at times we will have different views on specific issues and we may have different interests at stake.

Our view is that the best way to minimize the chances of unnecessary friction is to encourage ever greater contact between a wide range of people in both countries with the specific aim of increasing mutual awareness and building levels of trust. This principle applies across all sectors – business, government, and non-government. Joint projects in all fields that are based on practical cooperation that serves the interests of both parties are seen to be particularly beneficial in this regard. Projects to increase understanding of fundamental political and legal regimes in both countries could be an important element of this approach.

Another way to promote understanding and to build the personal-level ties that together make up the fabric of the overall relationship is to increase the frequency of direct contact. Other forms of communication remain important. But regular face-to-face contact is the best way to signal commitment to building a stronger relationship, and to enable individuals deeper insights into mutual positions. These kinds of contacts already exist to a large extent in some sectors, but a further development in this regard would be highly positive. On both sides businesses should aim for regular visits. Political leaders and government agencies should aim for regular and increased contact. Community and other groups should endeavour to include direct contact with counterparts in the other country as part of their regular activities. Governments can facilitate these kinds of contact through policies that simplify travel procedures and encourage more direct transport links. Support for nurturing and supporting upcoming generations of scholars in both countries is of great importance.

2c. Discussion and engagement should be based on mutual respect.

Increased knowledge will provide a stronger base for discussion of the relationship and its development. It will be important for those engaged in this process of discussion to approach each other in a spirit of mutual respect. It will also be important to ensure wide acceptance of the principle that stakeholders in both countries approach each other as equals. Relations between the two countries in all sectors will ideally be based on the notion of reciprocity.

3. The third principle is that we need to recognize that Australia and China will have different views and interests on some issues. It is important to acknowledge these differences and manage them carefully, and not to allow differences in one area, as a matter of course, to cast a pall over the entire relationship.

Currently and into the future we will see different sectors in Australia or China having different interests and different views about the relationship or regional or global issues. At times friction may develop in relation to these differences. A mature discussion between Australia and China needs to recognize the reality of the existence of these differing views and interests.

It is important that disagreements in one area of the relationship do not automatically spread to the entire relationship and call fundamental, long-term and positive ties into question.
The challenge for stakeholders is to make all reasonable efforts to prevent the emergence of friction, and to manage pragmatically any friction that does arise so as to minimize the impact it has on the broader relationship.

4. **The fourth principle is that we need to recognize the broader international context in which the relationship will evolve and that, while we have a shared interest in pursuing stability and prosperity, we will at times have differing views on how this is best achieved.**

The discussion about the relationship has to recognize the broader international context in which it takes place. Global and regional developments in economics, politics and strategic affairs will impact on the relationship between Australia and China. Conversely, the relationship between Australia and China will be an important factor that shapes developments in our region and beyond. Both the Australian and Chinese governments want stability and prosperity for their nations. They recognize that these goals can only be achieved in an environment of regional and global stability. However, our short-term responses to specific international events may well differ. The long-term strategies we employ to guarantee our own stability and prosperity will be different.

Both countries have enduring economic, cultural and political and military ties with a wide range of nations. The relationship between Australia and China cannot develop independently of these, yet we both have an interest in seeing each other develop strong and positive relations with a wide range of regional and global partners that contribute to global stability. Governments in both countries should be encouraged to increase contact and dialogue on regional and global challenges.

5. **The fifth principle is that domestic developments in each country will have an impact on the relationship. This needs to be acknowledged and addressed as a part of the overall discussion of the relationship.**

Each country’s approach to the relationship will be influenced by domestic developments. If either country’s overall approach to the world changes, then so, too, will its approach to the bilateral relationship. If either country’s economic development strategy changes radically, it will have an impact on the economic engagement between the two countries. The discussion about relations between Australia and China must include consideration of how domestic events and policies in each country might influence the relationship.

6. **The sixth principle is that simple slogans and formulas for discussing the relationship must be avoided.**

The complexity and nuances of the relationship cannot be captured by simplified dichotomies. The relationship is too important for public discussions to be based on such simple ideas. Hence, in recent years some Australian political leaders and scholars have spoken of the importance of the frank expression of views and opinions in the context of the Chinese term zhengyou (roughly translated as ‘principled friend’). The Chinese side has expressed the need to view and develop bilateral relations from a strategic and long-term point of view and not to allow momentary disturbances to stand in the way of positive development in overall relations between the two countries. Neither the interests of Australia nor of China are well served by shallow analyses that look at one isolated element of the relationship. In the media, in public debate, in politics, in academic discussions and in business, it is crucial that we avoid resorting to simple slogans and formulas in discussing the relationship, its potential and its challenges. This applies equally to attempts to characterise the closeness of our partnership or the differences between us.
CONCLUSION AND NEXT STEPS

To foster a mutually beneficial and sustainable relationship between Australia and China, we need to analyse the history of the relationship, and engage in a comprehensive understanding of it, its current state and its possible trajectories. We also need to build better channels of communication and contact so as to encourage and enhance mature and frank discussions. The cooperation between CIW and CICIR is emblematic of this goal, and both parties are committed to it.

This joint report, on the future of Australia-China relations represents the culmination of a long process of frank exchange, debate, research. In the future, the two institutes hope to continue this process with each other, the general public and academic and policy communities in both Australia and China.

In the next phase, our two institutions aim to produce in-depth research reports on more specific aspects of the Australia-China relationship, provide opportunities for academics and researchers to develop contacts and deepen understanding through long-term visits, and crucially, to continue to promote public discussion on Australia-China relations.