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*‘What’s old is new again: Problems of the past and the future in Australia-China relations*

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In 1893 the English liberal intellectual Charles Henry Pearson, who used his Australian vantage point to observe the effects of modernisation on world politics, identified China as the greatest potential threat to Western strategic predominance. ‘The preponderance of China over any rival’, he wrote, ‘even over the United States of America, is likely to be overwhelming.’ His believed that his fellow Australians, who lived on the frontier separating the white and ‘coloured’ races, were the first to raise the alarm and to take measures to hold the line for Western civilisation. As he put it, ‘The fear of Chinese immigration which the Australian democracy cherishes…is in fact the instinct of self-preservation, quickened by experience.’

In 1966 as Donald Horne surveyed his country’s foreign policy at the height of the Cold war, he described a political community almost completely obsessed by China, with most narratives reflecting the ‘submerged theme of impermanence and even catastrophe in the Australian imagination’.

And last week, taking aim at Chinese economic coercion, the Federal Member for Kennedy Bob Katter, lamenting the lack of diversification in Australia’s trading portfolio and the need for greater defence expenditure, implored Australians to ‘remember that we live on an island, with a vast coastline, and are extremely vulnerable…We are overwhelmingly a European country in the middle of Asia with a landmass that is completely empty…A land without people will be taken by a people without land’.

Each of these observations emerges from their own distinctive contexts, and each speaks to unique circumstances. Nevertheless they do show that the past has a tendency to recur again and again in the national strategic psychology.

Pearson’s work, *National Life and Character* was quoted in the first parliamentary debates that established what became known as the White Australia policy, and it took governments of both persuasions until the 1960s and 70s to dismantle it. Within a decade of Horne’s article appearing, Australia had opened diplomatic relations with China and its leaders defined the country as a multicultural community seeking comprehensive engagement with Asia. Mr Katter’s remarks are only the most recent example of a view which, since 2017, has emphasised Australia’s economic, political and territorial vulnerability to China’s rise.

In the third of his four quartets, poet TS Eliot wrote that ‘when there is distress of nations and perplexity…on the shores of Asia…our curiosity searches past and future and clings to that dimension. But to apprehend the point of intersection of the timeless with time’, he went on, ‘is an occupation for the saint’.

Needless to say, I am no saint. Nor do I have the gift for seeing around corners, but it is the quest to understand better that very intersection of the past, present and future which I seek to grapple with in my remarks tonight.

As the Australia-China relationship continues to deteriorate, it becomes more imperative to understand why it plumbs the depths it has but also how Australia might think afresh about its role in a new strategic order.

In tonight’s address I want to discuss two key points.

First, I want to argue that for all the newness of the circumstances we face with China’s rise, some analysts and commentators continue to clothe their treatment of the subject in older conceptual garb.

So many of the paradigms and rhetoric of the late nineteenth century and the Cold War, especially those relating to ‘invasion’, ‘threat’, ‘subversion’ and ‘containment’ have once again been resurrected and deployed in the domestic political and foreign policy debate.

True it is that at the core of this challenge is raw power politics, but that doesn’t mean questions of culture, history, identity and memory are irrelevant. They are central. And yet to date they have been largely neglected as factors which influence Australian reactions and responses to this seismic strategic challenge.

Last year the former Singaporean diplomat and UN Ambassador Kishore Mahbubani posed the question of whether we arrive at geopolitical judgments only from ‘cool-hard headed, rational analysis’, and whether, if emotions do influence these judgments, they operate at the level of our subterranean subconscious. Any honest answer, he added, ‘would admit that non-rational factors always play a role’.

Mahbubani was speaking in the wake of the revelation that the State Department’s then head of policy planning, Kiron Skinner, had spoken of US-China strategic rivalry in terms of a ‘clash of civilisations’ and moreover that China was the first non-Caucasian great power competitor the US had faced in its history. Skinner’s speech had the briefest of shelf lifes and Australian leaders went nowhere near it. But Mahbubani was surely right in pointing to the need to examine the cultural impulses that produced the speech. ‘That China is not Caucasian’, he went on, ‘*is* a factor in the geopolitical contest and it may also explain strong emotional reactions in Western countries to China’s rise’.

The revival of so many images of China that revive older fears and phobias has cramped the space in which political leaders can attempt to achieve something of an equilibrium in Australian China policy, giving the debate a Manichean flavour and imposing a poisonous fault line between advocates of engagement and the acolytes of aggression. And it has led to the brazen, offensive questioning of the loyalties of Australians of Chinese background, and others. All of this seems to get lost in much of the analysis of our present predicament.

The second is how to come to grips with thinking about Australia’s role in this new order.

This era is indeed totally unlike anything Australia has had to face in its history. Australia has in the past had to undergo a fundamental rethink of its position in the world: at the time of post-war decolonisation and the rise of Asian nationalism; when the British military withdrew from East of Suez in the late 1960s and the US recalibrated its Asia policy under the Nixon doctrine; and at the end of the Cold War. But at each stage Canberra did so with a great and powerful friend placing a comforting paw on its shoulder.

Now however, finding itself closer to the centre of these new geopolitical forces, and with doubts, even if largely unspoken, about the growing gap between American resolve and capability in Asia, it must face up to the hard thinking of what that new order, already taking shape, might look like. The American paw is still there, and we want it to continue to be there, but we worry what the picture might look like if its regional presence diminishes.

In other words, the mantra that Australia changed its policy towards Beijing because China changed is accurate but it is tending to impede a fuller understanding of why we are where we are. It dodges completely the need for Australia to ask questions of itself.

Let me clear that there is no false equivalence being set up here.

We know only too well that China has changed: that as the shift of economic weight to Asia has taken place, President Xi has wrapped it in an assertive, provocative and bullying brand of Chinese exceptionalism, one which provides the ideological araldite of modern Chinese identity. We see the manifestation of it in the South China Sea and the party’s selling of the China ‘model’ to other developing countries, in Beijing’s treatment of the Uighurs, its sabre rattling in Hong Kong, its testing of Taiwanese resolve. And we’ve seen it in the economic coercion that has hit a growing number of Australian export markets. It’s come, too, with a blustery, discordant and self-defeating soundtrack of ‘wolf-warrior diplomacy’.

This is the China with which Australia and others must learn to deal. As Charles De Gaulle once said, ‘great powers are cold monsters’.

The conventional wisdom – and there is a great deal to be said for it – holds that a succession of measures taken by the Morrison and Turnbull governments – on foreign interference legislation, the 5G network, and the call for an independent inquiry into Covid-19, were entirely reasonable either from the standpoint of national sovereignty, cyber-security and the protection of critical infrastructure, or, in the case of the inquiry, the understandable desire to gain greater understanding about the origins of a global pandemic.

What remains a puzzle is why on each occasion Australian leaders saw the need to trumpet each move either by statements that needlessly offended Chinese sensitivities, gain alliance kudos, or, in the case of the pandemic inquiry, signal contempt for Chinese territorial integrity by pushing for UN style weapons inspectors.

These have had the effect of positioning Australia at the vanguard of a wider ‘pushback’ against China. And it seems some have relished the role. Some years ago a senior Australian official lamented privately that no one in Washington DC said Australia was ‘punching above its weight anymore’. It is doubtful that line is much heard now in the American capital. So it’s a position that has advantages for America, but not necessarily for Australia, particularly when you consider what is at risk – what is already being affected - in terms of the trading relationship we have with China.

Equally we need to understand better the origins of this approach and its consequences for Australian policy.

The first point to note is that this more assertive stance predates the period from 2017, when the tensions with China came more fully into view.

In 2012 Australia’s then Ambassador in Washington Kim Beazley told incoming foreign minister Bob Carr that Australia’s commitment to host American marines in Darwin, its protests over Tibet and the exclusion of Huawei from the National Broadband Network meant that whilst Canberra was not exactly ‘alone in our actions’, it was ‘*very prominent’*.

It showed an awareness even back then that Canberra’s positioning at the forefront of issues related to Chinese unity and commercial interest riled Beijing.

Until the archives for this period are released, we can only speculate as to the thinking behind this approach: whether it was a policy designed to send an early signal to Beijing as to what would and wouldn’t be tolerated; whether it was deemed sustainable; what domestic effects it might have should tensions with Beijing increase, and whether ultimately it might result in Australia becoming a target for Chinese economic coercion. But these are vital questions.

One answer was given in the Australian yesterday by former adviser to Julie Bishop John Lee: Australia is enduring a ‘painful but necessary negotiation’ with Beijing, it’s ‘creating room to exercise the rights of our sovereignty rather than exchanging that for silence, or worse, servitude’. But what does this actually mean in terms of policy? I am not satisfied that it is all quite so clear cut, that what is presented here as a carefully calculated strategy masks what may well be policy ad hocery. Certainly it is at the very least debatable as to whether there is coherence to it, and whether, in fact, coherence is possible.

If we are to climb out of the hole in which we find ourselves what is also required is searing examination of how we descended these depths in the first place. And if former DFAT secretary Dennis Richardson is right - there is little reason to doubt it at present - that Australia will remain in the ‘doghouse’ with China for the next two years, then there is no excuse for not reflecting from the way things have, at times been managed from the Australian end.

I hasten to add this is not borne from a desire to finger point or apportion blame: rather it is about gaining greater understanding as to why impulse has at times been allowed to override a strong Australian tradition of pragmatic, reason based diplomacy.

Questions of culture and identity as much as political tactics shape our reactions and we are not being intellectually honest if we ignore some of the ghosts stalking the debate.

There is a lot at stake here. Earlier this year the AFR’s Andrew Clark noted that some around the prime minister were opining that he could use the ‘China card’ as his trump in the next federal election. If this remains true, then the divisions on this question, especially at the community level, and most especially in terms of building suspicion within the country towards Chinese-Australians, will only intensify.

This is not just a question of pointing out the almost routine depiction in the media of an Australian continent being flooded by oozing red tides or Chinese flags unfurling across the land from Sydney to Perth; of think tanks publishing reports with lurid yellow covers featuring images of a prowling Chinese dragon reminiscent of the 1890s *Bulletin* newspaper; of cartoons featuring a dragon’s tail lying akimbo to Australia’s east coast; of 4 corners documentaries playing spooky music as the camera enters dimly lit rooms.

Rather it is about examining two central narratives that have relied on streams of history and memory to explain these new circumstances.

The first is the reliance of a ‘China threat’ narrative on older themes of Australian innocence, vulnerability and complacency.

The second is the reheating of the rhetoric and outlook of the Cold War.

These do not by themselves explain why we are ahead of the pack, or why the relationship has hit a new low. What they do show is the capacity of the relationship to become captive not only to domestic politics, but also to the myopic vision of immediate experience and the uncritical mythologies by which events in the present are understood.

To take the China threat narrative. This interpretation emphasises a sense of sometimes feverish alarm over what it sees as Beijing’s capacity to gradually erode the democratic foundations of Australia, thus ultimately rendering the nation hopelessly weak in the face of China’s growing economic and strategic weight, a predicament itself reminiscent of the invasion scare novel literature of the late nineteenth century. As much as it is characterised by machismo, it betrays a rather lamentable lack of faith in the resilience or robustness of Australia’s democratic institutions.

China in this school of thought is presented as an insidious force creeping into every corner of Australian life. In the words of its most vocal proponent, Clive Hamilton, China is bent on nothing less than a ‘silent invasion’ of the country, Australia at risk of becoming a ‘tribute state of the resurgent Middle Kingdom’. The former head of ASIO Duncan Lewis gave a version of this view when he warned that Australians will one day ‘wake up to find decisions made in our country that are not in the interests of the country’. The result would be a foreign power virtually ‘pulling the strings from offshore’. This view also typically stresses the theme of Australian susceptibility to Chinese influence and interference, warning against the kind of complacency by those it claims have been engaged in ‘appeasement advocacy’.

Taking his cue from Duncan Lewis, journalist Peter Hartcher also asked ‘what is the use of all Australia’s defence force personnel and all its ships and planes if the decision-making system has already been taken over by Beijing’?

The problem for these accounts is that, the egregious Dastyari affair aside, they are unable to demonstrate conclusively that agents of the Chinese state have either influenced or changed key policy decisions in any federal or state parliament, or that the Chinese Communist party has in any way had success in imposing its system on Australia.

One result of this perceived vulnerability to China and Chinese influence has been the search for a viable response or strategic framework to meet it. Given the re-emergence of great power competition between the US and China it is perhaps unsurprising that an older concept – containment – has been whistled in to service this very need. As Fareed Zakaria has noted, even if few embrace the term ‘containment’ itself, ‘many adopt some version of its logic’.

This application of Cold war terminology and thinking is not a distinctively Australian response to China’s recent assertion of its power: as in the Cold War, commentators and analysts here, largely in the hawkish school of thought, have followed in the footsteps of developments or major speeches in the framing of US China policy.

In the Australian case the application of the term ‘Cold War 2.0’ has a clear beginning, and coincides with the reaction to a speech delivered by US Vice-President Mike Pence to the conservative Hudson Institute in Washington in late 2018. In prepared remarks, Pence detailed a catalogue of grievances concerning Chinese behaviour across economic, domestic, technological and ideological spheres. Towards the end of his speech, Pence declared that the United States will ‘not be intimidated and…will not stand down’, adding that ‘the US will not change course until China changes its ways’.

These remarks were quickly and eagerly endorsed by a number of high profile strategic analysts in Australia. ‘Future historians’, one wrote, ‘will mark October 4 as the beginning of a second Cold War’, while others encouraged the government to ‘follow in Mr Pence’s footsteps’ or declared that ‘Australia is broadly comfortable with the Pence approach’. Rory Medcalf has subsequently reached a little further back than the Cold War to the rise of Japanese militarism, claiming that China’s military ‘has a grip on foreign policy’ that is ‘reminiscent at times of the hardline officer class in 1930s Tokyo’.

In the Australian parliament these views have been most closely associated with backbench Liberal MP Andrew Hastie, who has argued that misplaced Western expectations of an economically open China ultimately liberalising politically represent a broader ‘western intellectual failure’. Hastie equated that failure to the French belief in 1940 that ‘their steel and concrete forts would guard them against the German advance’. Such a view constituted only the latest example of politician’s appealing to the supposed ‘lessons’ of Munich and the rise of Nazi Germany, the period that has haunted the Western strategic imagination since the end of the Second World War.

It should be pointed out, however, that neither the Australian government nor the Labor Opposition have endorsed this concept of a ‘new Cold War’ with China, nor the idea that Beijing is a ‘strategic competitor’. Nevertheless this perspective has also been influential in discussions about the kind of regional architecture required to check Chinese power, and how best an ally such as Australia can stiffen American resolve to maintain its staying power in Asia.

The appeal of the Cold War imagery may very well speak to the longing, after nearly two decades of fighting the elusive scourge of jihadist terrorism, to have once more an existential, ideological opponent. The Cold War has its own soothing memories: an entire system collapsed, walls fell, victory was declared. But using it now is the equivalent of putting on a comfortable pair of strategic slippers.

All of these accounts, even those that tend towards the polemical, constitute the first draft of history. Notwithstanding the legitimate claims that Australia is facing up to a new and more uncertain era in its strategic outlook, a persistent sense of geopolitical anxiety has been a factor in the national imagination since the end of the nineteenth century. Now, as the debate only intensifies over Xi’s China, it is again worth asking: to what extent can these concerns about Australia’s cultural and political geography be seen as reasonable, prudential assessments of dangers, or have they been in part the paranoid responses of a small Western-based nation to a sense of living once more in a uncertain and unpredictable world?

Writing a few years ago, as the tensions in the relationship were just starting, historian Chengxin Pan concluded that perhaps it comes as ‘no surprise that Australia’s close economic ties with China have not been able to sway its historical mindset’. If anything, he added, ‘this geo-economic proximity seems to have aggravated that anxiety’.

The irony of all this is not hard to miss. In the late 1970s, and again in the middle of this year, Chinese officials have said explicitly that so far as Beijing’s attitude towards Australia is concerned, there are ‘no problems left over from history’.

This was a remarkable statement to be made in the shadow of the Vietnam war, not to mention the demonising of China that had taken place throughout the Cold War and the nineteenth century. Essentially, the Chinese were showing a preparedness to wipe Australia’s historical slate clean, at the same time affirming that Australia carried none of the baggage associated with the big power dynamics and historical memories that typified its relations with Japan and the United States.

It was an observation that continued to inform the way that Australian officials prepared advice for government in the 1980s, and shows the opportunity that Australia was being presented to transcend those more troublesome memories. In essence, the weight was being taken out of the historical saddle bags. The problem with so much of the debate today is that some are clearly keen to put new, old historical weights back in it.

All of this begs the question as to how Australia continues to grapple with this new order taking shape. In his recent book the former Ambassador to China Geoff Raby stresses that foreign and strategic policy has to be based on a ‘contemporary understanding of how profoundly the world order has been changed by China’s inexorable rise’. We need he said to navigate a new ‘bounded multipolar order with great skill’.

Raby proposes a new ‘grand strategy’ for the country: a term not often heard in Australia’s foreign policy debate. It is required, he contends, not because of Australia’s strategic weight, but because of the very real prospect that Australia will find itself increasingly alone.

Hugh White has also made this argument and Raby agrees that defence spending has to rise. The difference in Raby’s realism, however, is that such a strategy, whilst needing to acknowledge that China will be the dominant power in East Asia, nevertheless is also based on ‘a reasonable assumption of the US’s continuing military pre-eminence’. And where White stresses Australia plunging into unknown strategic waters with few navigational instruments to chart the new coordinates, Raby looks to the middle power activism of the Hawke and Keating governments as a model for the kind of diplomacy Australia needs to practice. Expand the Quad by all means, says Raby, but let China join it. The region needs new, inclusive security architecture.

All of this should be approached with some optimism, and indeed with the signature of the RCEP, the Pacific step up and the renewed focus on South East Asia, governments are in their own way responding to this new world.

This has been something of a journey, with its inevitable twists and turns. From the 1970s Australia found the process of integrating itself with Asia extraordinarily complex. It was in awkward situation. It was in the words of one commentator ‘a country in search of a region’. Or as Stuart Harris, the head of the Foreign Affairs Department, said in 1986 ‘We are an isolated country in the sense that there is a lack of regional links—there is no region or grouping to which we belong naturally—and no easy alliances that are immediately useful to us. This recurring sense of being alone made Australians anxious but also drove them on to seek to create a region to which they could belong.

Thus in the 1980s Australia engaged in an extraordinarily active, multidimensional and constructive diplomacy aimed at achieving just this end. APEC, the APEC leaders summit, the Cambodia peace accords, the Canberra commission, the Bali process on people smuggling and trafficking.

But it has been some time between Raby’s ideas for a new grand strategy and the only other serious and sustained attempt to come up with a new framework for Australian foreign policy, when Gareth Evans and Bruce Grant tried to set down the country’s response to the coming of the so called ‘new world order’ in the early 1990s. There are currents from that work, too, worth bearing in mind. Evans and Grant were aware of the Fukuyama ‘end of history’ thesis but they were not swayed by it: ‘the course of history is rarely if ever the irresistible working out of forces in obedience to some discoverable law of human affairs.’ Here was a reason-based, pragmatic Australian approach to understanding international relations.

Australia’s middle power status and its practice, at least since the 1970s, of both adapting to a world it cannot control and working through international institutions to further its interests did not encourage an attempt to produce final solutions. Lacking pretensions to omnipotence Australia is not in a position to claim omniscience. What it did produce was intelligent, creative and activist diplomacy.

Australian foreign policy makers have for the most part understood that history is contingent, that no minds, no matter how great, can in any age fathom its mystery. They understand that history has unexpected surprises up its sleeve and that sometimes, the best that policymakers can do is to tackle problems piecemeal and pragmatically, never knowing whether they will achieve their objectives.

The process of conceptualising a new framework for Australian strategic policy will again be full of tension between the pulls of history and the imperatives of geography; between what is and what we would wish to be, between experience which calls for prudence in protecting the national interest and hopes, even if tentative, that a better world can be made.