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**AUSTRALIA'S RELATIONS WITH CHINA
IN THE CONTEXT OF GLOBALIZATION**

by

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One recently published book commemorating the thirtieth anniversary of the establishment of diplomatic relations between China and Australia (December 1972) claimed that the two countries “share a deep and abiding relationship” and predicted that it would strengthen in the future.¹ Political relations were probably never stronger than at the beginning of the twenty-first century. An excellent sign of this was that on 24 October 2003, Chinese President Hu Jintao addressed both houses of federal parliament in Canberra. Not only was it the first time a Chinese president had addressed the Australian parliament, but it followed by one day an address by American President George W. Bush. Hu Jintao’s speech was broader and more conciliatory in tone and completely lacked the obsessive concern with the war against terrorism that characterized Bush’s speech. For that reason Hu made a very good impression and possibly an even better one than Bush.

In talks between Australian Prime Minister John Howard and President Hu Jintao the same day, there was a palpable atmosphere of optimism as they signed several economic deals and declared their relationship built on mutual respect for each other’s traditions.² In Australia, not only is there bipartisan support for good relations, but both government and opposition also place a very high priority on relations with China. For both government and opposition the one with the United States is Australia’s most important bilateral relationship, but China would rank very high indeed thereafter. Even though the Australian Labor Party (ALP) puts more weight on

¹ Nicholas Thomas, “30 Years of Engagement”, in Nicholas Thomas, ed., *Re-orienting Australia-China Relations, 1972 to the Present* (Ashgate, Aldershot, 2004), p. 13.

² Source: Australian Broadcasting Corporation Radio National programme PM of 24 October 2003, as recorded <http://www.abc.net.au/pm/content/2003/s974701.htm> (accessed 31 August 2004).

overall relations with Asia than does the Coalition, both are very warm about the relationship with China.

Aims and Scope

This paper aims to explore some issues in China-Australia relations in the context of globalization, which is the theme of the Conference. These issues include economic relations such as trade and tourism, both of which have proved important and interesting both in terms of China-Australia relations and globalization. I also intend to take up some political factors that have affected China-Australia relations in the context of globalization, such as sovereignty, human rights and the relationship of both countries with the world's only superpower, the United States. For reasons of space I am omitting cultural and social relationships, even though I believe both culture and society to be very important, and too easily overlooked, facets of globalization.

The time period of this paper is the twenty-first century. Global forces are certainly not new. As early as the Han Dynasty in China and the Roman Empire in the West, silk was an economic and cultural commodity that was transported from one end of the great Eurasian Continent to the other. However, there is little doubt that the globalization debate took on new impetus with the protests against unchecked globalization in connection with the meeting of the World Trade Organization members in November 1999 in Seattle, just before the twenty-first century dawned.

The Concept of Globalization

Since the mid-1980s the concept of globalization has become a very popular tool of analysis for social scientists. There are many ways of understanding it and there is

developing a whole literature on the subject, to which it is not my aim to contribute here. However, it is necessary to offer a definition of globalization: it is the “multiplicity of linkages and interconnections that transcend the nation-states (and by implication the societies) which make up the modern world system”.³

Economic forces, including goods and services, ideas and practices move across borders much more quickly and more intensively than they used to do. Reference to transcending the nation-state and the “modern world system” also raises the future of the nation-state as an institution, an issue over which social science and globalization theorists has been sharply divided.

At one extreme, Jean-Marie Guehenno has written that the year 1989 marked the end of the age of nation-states.⁴ Among other events, that year saw the fall of the Berlin Wall and immediately that of the Soviet bloc, with the Soviet Union itself disintegrating at the end of 1991, in other words very soon afterwards. On the other side is Samuel P. Huntington, who argues that nation-states will remain the principal actors in world affairs in the post-Cold War world, but with culture and civilization “shaping the patterns of cohesion, disintegration, and conflict”.⁵ Huntington sees a world in which “the local conflicts most likely to escalate into broader wars are those between groups and states from different civilizations”.⁶ If, as I have argued, globalization theory implies that nation-states and their governments exercise less ability to control the economic forces and hence ideas and practices that flow over

³ Anthony McGrew, “A Global Society”, in Stuart Hall, David Held, David, and Tony McGrew, eds, *Modernity and Its Futures* (Polity Press, Cambridge, in association with Blackwell Publishers, Oxford, and The Open University, 1992), p. 65.

⁴ Jean-Marie Guehenno, *The End of the Nation-State*, trans. From French by Victoria Elliott, University of Minnesota Press, Minneapolis, MN, 1995, p. x.

⁵ Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order*, Simon & Schuster, New York, 1996, p. 20.

⁶ Huntington, *The Clash of Civilizations*, p. 29.

their borders, then it appears to follow that globalization “implies a reduction, perhaps a very substantial reduction over time, of the power and thus significance of the nation-state”.⁷ However, in my opinion Guehenno goes much too far in claiming that the nation-state is already dead. Anthony McGrew is, in my opinion, probably right that though globalization may “compromise the authority, the autonomy, the nature and the competence of the modern nation-state”, it is most unlikely to undermine that institution altogether.⁸

The World, China and Australia in the Age of Globalization

The most important event affecting the globe as a whole, including the Asia-Pacific region, is of course the 11 September 2001 Incidents, when terrorists hijacked aircraft and flew them into the twin towers of the World Trade Center in New York and the Pentagon in Washington, killing altogether some 3,000 people. The event provoked the United States President George W. Bush to launch a “war against terrorism”, beginning with an invasion of Afghanistan to overthrow the Taleban regime there. This was followed by an American-led invasion of Iraq in mid-March 2003, overthrowing the regime of Saddam Hussein soon after, but leading on to a far stronger resistance to occupation than the United States or its allies had expected. The war against terrorism has affected most of the countries of the Asia-Pacific region. There have also been other major events special to the region, the most important of which has revolved around attempts to prevent the further nuclearization of the Korean Peninsula.

⁷ Nick Knight, *Understanding Australia's Neighbours, An Introduction to East and Southeast Asia*, Cambridge University Press, Cambridge, 2004, p. 186.

⁸ McGrew, “A Global Society”, p. 92.

In global trade one of the most important recent developments has been over agricultural subsidies, with rich countries like the United States and some in the European Union propping up their own agriculture through large agricultural subsidies at the expense of the poorer countries. At the meeting of the World Trade Organization in Cancun in September 2003, China, Brazil and India led a group of twenty poorer countries to exert pressure on countries like the United States against subsidies, and the meeting finished without agreement. Australia was one of the countries to express disappointment at the outcome, meaning that it sided with the rich countries like the United States against the poor, supported strongly by China. However, on 1 August 2004, a further meeting of the World Trade Organization reached a general agreement, welcomed by both rich and poor countries, to end export subsidies on farm products and to cut import duties across the world. The initiative of China and others had paid off. Certainly, China regarded the decision as a victory for the developing nations.⁹

Both the influence of China and its economy have continued to grow spectacularly in the globalized world following September 11, the rise of China remaining among the most important features of our age, especially as regards the Asia-Pacific region. And China's rise is accelerating at the very time when, in the words of one journalist, "Washington's preoccupation with Iraq and terrorism has left it seemingly disengaged from the region".¹⁰ At the end of 2001 China joined the World Trade Organization, thus linking it even more strongly to the global economy than had been the case up to that time. Towards the end of 2002, the Sixteenth Congress of the Chinese

⁹ See Zhang Guoqing, "Victory for Developing Nations", *Beijing Review*, vol. 47, no. 34 (26 August 2004), pp. 12–14.

¹⁰ Jane Perlez, "Across Asia, Beijing's Star Is in Ascendance", *The New York Times*, 28 August 2004, web version accessed 28 August 2004.

Communist Party (CCP) brought in a new leadership under Hu Jintao, the smoothest transition of power in China for a very long time.

For China, an extremely important and unwelcome development has been the election victory of Chen Shui-bian as president of Taiwan in March 2000. Chen represents a party that advocates independence and the mainland watched his moves with great distrust. In March 2004, he won a second term, this time by an extremely narrow margin over a united Guomindang opposition. On the same day as the election, Chen sought support for two referenda that might have given him the chance to move further towards independence, but both failed to gain enough votes.

Australia continued to do well economically. Politically, one event of significance was that the Australian Labor Party (ALP) replaced its leader Simon Crean with Mark Latham towards the end of 2003, but even so saw Howard make further gains in the elections of 9 October 2004 compared with 2001. Howard's top priority in foreign policy was adherence to the United States line over the war against terrorism and the War in Iraq. He also stepped up Australia's role in the South Pacific, in particular through sending a force to the Solomon Islands in July 2003 in an attempt to halt spreading ethnic violence, lawlessness and corruption there.

The Economics of Globalization in Australia-China Relations

The linkages in the economic field between China and Australia are highly important for their bilateral relationship. In fact, there are signs that both see economic matters like trade as one of the main cornerstones of the relationship. President Hu Jintao's October 2003 visit to Australia was characterized by the signing of several major economic agreements. In a white paper on Australia's foreign and trade policies, the

government declared that it would pay particular attention “to building a strategic economic partnership with China”.¹¹

Two economic aspects of Australia’s relations with China I intend to cover here are trade and tourism, representing linkages in the fields of goods, services and human communication. Apart from their importance in the bilateral relationship they are also important in the context of globalization. Although not everybody shares Tony McGrew’s definition of globalization, which I offered above as the framework for the present paper, there are not many people who would challenge the importance of economic matters for any notion of globalization.

Trade

Trade between Australia and China has been growing rapidly for many years now. The following table shows that the first years of the twenty-first century saw bilateral trade grow to unprecedented heights, with expansions in the figures for trade in both directions. It is extraordinary that total bilateral trade should more than double from over A\$10 billion in 1999 to over A\$21 billion just three years later.

\$A million	1999	2000	2001	2002	2003
Australian exports	4091	6009	7582	8373	9077
Australian imports	6613	9073	10312	12847	14255
Total bilateral trade	10704	15082	17894	21220	23332
Balance in China’s favour	2522	3064	2730	4474	5178

Source: http://www.dfat.gov.au/geo/china/proc_bilat_fs.html (accessed 17 August 2004)

¹¹ Australian Department of Foreign Affairs and Trade, *Advancing the National Interest, Australia’s Foreign and Trade Policy White Paper*, Commonwealth of Australia, Canberra, 2003, web version, accessed 22 March 2003.

It can be seen here that there is a balance in China's favour, and it appears to be growing. Given the size of China and its economy compared to Australia, it is hardly surprising that China matters much more to Australia in trade terms than the other way around. In 2003, China was Australia's third largest trading partner (after the United States and Japan), whereas Australia ranked only thirteenth among China's.¹²

Yet there appears to be in agreement between China and Australia that the bilateral trade is not only growing but also highly complementary, at least in terms of the commodities traded. In her 28 July 2004 speech to the National Press Club in Canberra, Ambassador Fu Ying described the Australian and Chinese economies as similar to "gears meshing into each other" in their complementarity.¹³ An Australian government source states that:

The Australian and Chinese economies are strongly matched; Australia mainly exports primary commodities and small amounts of higher value manufactures and services to China while China mainly exports labour intensive manufactured products to Australia. Detailed analysis of trade between China and its major regional trading partners indicates that, after its relationship with Japan, the trade relationship with Australia is the next most complementary and this match is increasing.¹⁴

The sorts of primary commodities the quotation refers to include primarily iron ore and wool. However, in 2003 the sale of iron ore was considerably higher than in

¹² Source: http://www.dfat.gov.au/geo/china/proc_bilat_fs.html (accessed 17 August 2004).

¹³ Source: <http://www.chinaembassy.org.au/eng/zagx/t144155.htm> (accessed 17 August 2004).

¹⁴ Economic Analytical Unit, Department of Foreign Affairs and Trade, *China Embraces the World Market*, Commonwealth of Australia, Canberra, 2002, p. 61.

2002, whereas with wool 2003 saw a decline of over one-third when compared with 2002.¹⁵

The most important and in value largest ever single trade deal so far negotiated between Australia and China was in the sale of liquefied natural gas by the Australian company Woodside Energy to China's first liquefied natural gas project. The negotiations were finalized with the signature of a contract in July 2002 and are worth up to A\$25 billion. Howard had been very active in promoting this deal during a visit to China in May 2002. China had two other options (from Qatar and Indonesia) that seemed politically attractive, and Australia's prices were actually higher. According to Woodside's marketing general manager Lucio Della Martino, it was the guarantee of a secure supply that brought about a successful conclusion to the sale.¹⁶ I have heard from private sources that Howard's activism also helped materially.

China's entry into the WTO at the end of 2001 has strengthened its wish to increase trade and free-trade agreements with willing partners, which include Australia. When President Hu Jintao visited Australia in October 2003, Australian and Chinese leaders signed a trade and economic framework agreement. Australian Foreign Minister Alexander Downer visited China in August 2004, just after Australia and the United States had finalized a free-trade agreement, against some political opposition in Australia itself, where many feared that the United States would gain far more from a free-trade agreement than Australia. Downer spoke enthusiastically about a similar agreement with China. "We agreed we will conclude the feasibility study of a free-trade agreement in March/April of next year", with the study then proceeding to negotiations for a free-trade agreement. He said that China and

¹⁵ Source: http://www.dfat.gov.au/geo/china/proc_bilat_fs.html (accessed 17 August 2004).

¹⁶ Cited by Jane Perlez in "Across Asia, Beijing's Star Is in Ascendance", *The New York Times*, 28 August 2004, web version accessed 28 August 2004.

Australia had originally planned to complete preliminaries by October 2005, but progress had been good enough to enable an earlier completion date.¹⁷ It thus appears that the context of globalization not only helps encourage global trade overall, but also promotes bilateral trade, including free-trade agreements. In this sense global trade and bilateral trade between individual countries are not necessarily in conflict.

Tourism

It is important to mention tourism here, for two main reasons. Firstly, tourism is highly relevant to globalization. Indeed, one of the most important features of the contemporary age that has expanded global communications is tourism. It is a primary way that ideas, fashions and money spread from one country to another and that people of different cultures get to know each other better.

Secondly, tourism has expanded enormously between Australia and China in the last years of the twentieth century and the first of the twenty-first, and looks set to continue doing so. In other words, tourism is one means whereby the peoples of Australia and China are getting to know and understand each other better and, in my impression, also to like each other more. In terms of bilateral relations, such developments are obviously positive.

Since the early 1960s, mass tourism has grown to be the world's largest industry and a leading source of employment and income in many countries. As regards China, the reform period since the late 1970s has seen a massive increase in the number of tourist visitors, both foreign and Overseas Chinese, followed by the rapid growth of domestic tourism and Chinese tourists travelling outside China. According to the World Tourism Organization, a United Nations agency centred in Madrid, China is

¹⁷ Agence France-Press, "Arms buildup 'no threat' to Taipei", *South China Morning Post*, 18 August 2004.

the most rapidly growing country in international tourism both for the number of tourists visiting from outside and for the amount of money earned through international tourism. In 2002, China (counting Hong Kong as separate) ranked fifth in the world (after France, Spain, the United States and Italy) in terms of international tourist arrivals.¹⁸ The World Tourism Organization expects that, by 2020, China will have overtaken France for the top place, as well as being the world's fourth country as a source for international tourists,¹⁹ with outbound travel from China reaching 100 million per year by then.²⁰ The number of domestic tourists in China grew from 524 million in 1994 to 878 million in 2002.²¹

The number of Australian tourists visiting China grew from 50,200 in 1990,²² to 203,500 in 1999, rising then to 234,100, 255,100 and 291,300 in 2000, 2001 and 2002 respectively. Apart from neighbouring and Asian countries, especially Japan, the Republic of Korea and Russia, Australia ranked third after the United States and the United Kingdom in the number of tourists it provided to China, having overtaken Canada for the first time in 2001.²³

However, what is most remarkable about tourism in the Sino-Australian relationship is the immense growth in the number of Chinese tourists going to Australia since the 1990s. In 1999, Chinese tourism authorities designated Australia as the first Western country with “approved destination status”, and several bodies,

¹⁸ World Tourism Organization, “Tourism Highlights 2003”, http://www.world-tourism.org/market_research/facts/highlight/Highlights.pdf, 2003 (accessed 6 December 2003).

¹⁹ Barry Turner, ed., *China Profiled, Essential Facts on Society, Business and Politics in China*, Macmillan Reference Limited, London and Basingstoke, 2000, p. 128.

²⁰ See http://www.openchina.com.au/Chinese_Tourism_Growth.htm (accessed 28 August 2004).

²¹ National Bureau of Statistics of China, *Zhongguo tongji nianjian China Statistical Yearbook 2003*, China Statistics Press, Beijing, 2003, p. 699.

²² See National Bureau of Statistics, *Zhongguo tongji nianjian, China Statistical Yearbook 2000*, China Statistics Press, Beijing 2000, p. 630.

²³ , *China Statistical Yearbook 2003*, p. 696.

especially the China National Tourism Administration and the Australian Tourism Export Council, appointed specific tourism organizations in both countries with rights to organize groups of Chinese to visit Australia. There were also a number of rules developed, such as that a tour escort must be provided at all times for the groups, which are restricted to Beijing, Shanghai and Guangdong Province. In August 1999, the first group of Chinese tourists with approved destination status visited Australia.

China has become Australia's fastest growing inbound market, with an average annual growth rate of 32 per cent between 1989 and 1999.²⁴ The number of Chinese from the PRC to travel to Australia rose from 55,897 in the financial year 1997–98 to 129,446 in 2002–03. Among the latter figure, 80,089 visas were for tourists or for those visiting friends or relatives, while 49,331 visas were for business trips, the 80,089 including 29,603 visas granted to members of tourist groups under the “approved destination status” scheme.²⁵

Another remarkable development is the amount of money Chinese visitors to Australia have come to spend. In the year to June 2000, the average expenditure by Chinese visitors to Australia was A\$4,419 per person, a surprisingly large sum, even higher than the sum spent by Japanese.²⁶ According to the New South Wales government, Chinese tourists spend nearly four times as much as Japanese at the beginning of the twenty-first century.²⁷ Clearly this shows that the standard of living

²⁴ This information and figures come from <http://www.qttc.com.au/tqnews/issue09/2features/f04/htm>, especially pp. 4–5, accessed on 5 October 2002. The article cited is entitled ‘China Takes Off’, no author given but extensive quotations made from Mr David Leung, Tourism Queensland’s Hong Kong manager.

²⁵ Australian Government, Department of Immigration and Multicultural and Indigenous Affairs “Fact Sheets 58, China - Approved Destination Status”, <http://www.immi.gov.au/facts/58china.htm> (accessed 28 August 2004).

²⁶ See <http://www.qttc.com.au/tqnews/issue09/2features/f04/htm>, pp. 4–5, accessed on 5 October 2002.

²⁷ See http://www.openchina.com.au/Chinese_Tourism_Growth.htm, accessed 28 August 2004.

in China has risen tremendously, especially in terms of the amount of disposable income available to Chinese, especially urban Chinese. Another reason for the disparity with Japanese is that a significant proportion of tourists from Japan are young back-packers, who travel individually or in pairs and, because they are not rich, make their own arrangements and stay in very cheap hotels. This contrasts with the Chinese who travel almost entirely in organized groups.

The main tourist destinations in Australia for Chinese are Sydney, the Gold Coast and Melbourne. A fourth contender is northern Queensland, especially the area around Cairns, which has excellent tropical scenic attractions, including the Great Barrier Reef. When Jiang Zemin visited Australia in 1999, he visited Cairns and since that time, several major Chinese leaders have followed suit, including Zhu Rongji and Li Peng, who said at a state dinner given in Cairns in his honour on 20 September 2002 (which I attended) that he had gone there specifically at Jiang's recommendation. The Queensland Premier Peter Beattie also spoke exuberantly about the large and increasing numbers of Chinese tourists he expected to visit Australia in general, and Cairns in particular, over the coming years.

According to Mr Yu Weihua, deputy general manager of Shanghai China Travel Services, Chinese people are taking up overseas travel more and more. In an interview he claimed they were very enthusiastic tourists, and he divided them into two categories: genuine tourists and leisure tourists.

The Genuine Tourist likes saying "they have been there once", they are continually on the move and looking for new and interesting destinations and they want a guide that has an encyclopaedic knowledge of the area. The Leisure tourist is a more experienced traveller and just wants to relax and

enjoy a different life style. They are more demanding and sophisticated in their needs. The latter is more suited to the ADS [approved destination status] package tours, while the former would be more prepared to organise their own schedule.²⁸

Mr Yu also claims that being enthusiastic tourists does not mean that Chinese visitors are necessarily particularly adventurous about non-Chinese food. My impression is that this feature distinguishes Chinese tourists from their Australian counterparts in China who for lunch and dinner are rather keen to include local food as part of the adventure of tourism.

The enormous growth in tourism is one of the most important contributors to globalization throughout the world. The spectacular increase in Chinese tourism is a highly significant aspect of the way China has opened up to the outside world. It helps spread Chinese influence throughout the world, and it also spreads foreign influence among the Chinese, even though. I do not want to exaggerate this point because tourists everywhere tend to keep to themselves and the extent to which they mix with local populations is limited. The phenomenon of tourism has become far more important in Australia-China relations over the last few years of the twentieth century and the first few of the twenty-first century than it ever was before. It must loom large in any discussion of Australia-China relations in the context of globalization.

Sovereignty, Human Rights, Globalization and Australia-China Relations

Despite its importance, trade and tourism are not alone in their importance either for globalization or for Australia-China relations. We now turn to consider some factors

²⁸ See http://www.openchina.com.au/Chinese_Tourism_Growth.htm, accessed 28 August 2004.

that, though probably influenced by economics, are not themselves primarily economic in texture. According to the definition I suggested at the beginning of this paper, globalization includes the transmission of ideas and practices across boundaries, sometimes irrespective of the wishes of the states holding control in the relevant territory.

This brings us to two notions that have come to be quite important in international discourse on globalization. One of them is the whole role of the state in the contemporary world, the other is the notion of human rights.

China's position has consistently been to support the nation-state and to oppose any moves that would weaken or undermine its importance in the world system. China has also been a very strong supporter of the notion of sovereignty, which indicates the power of the state, or its representative government, to make decisions and maintain order affecting all those residing within its territory and to defend itself against attack from outside. On many occasions, China has condemned foreign governments and other bodies for interfering in its domestic affairs.

The Australian government has taken a similar approach when attacked from outside. However, Australian public opinion is more critical of the state as an institution than is Chinese. Many people tend to be hostile to states as such, and politicians have a rather bad reputation for dishonesty.

Human Rights

One of the specific areas showing ideas crossing borders is that of human rights. Both China and Australia have had their individual human rights diplomacy, with China issuing a long white paper on the subject in November 1991. Although there are differing opinions in both countries, it is probably fair to summarize by saying that

Chinese favour the communitarian approach to human rights, emphasizing the history and experience and community welfare of specific peoples, while Australians tend far more strongly to support the individualistic approach, which stresses the universality of individual human rights.

Human rights have played a role in Sino-Australian relations since the crisis of 1989, but in my opinion with decreasing importance. Australian governments have generally much preferred the path of dialogue to the economic sanctions frequently imposed by such countries as the United States. Under the Howard government, there has been a rather passive human rights dialogue between the two countries, but one that has resulted in Australian assistance to China in matters affecting human rights, such as the law system. There is, however, a growing difference between political, business and other circles and human rights activists. Human rights activists regularly demonstrate against Chinese leaders who come to Australia, but despite the fact that influential sections of the media feel obliged to take up their cause, they have proved rather ineffective.

Chinese Foreign Minister Tang Jiaxuan urged Australia to crack down on the quasi-religious Falun gong when he visited Canberra in March 2002. The CCP had banned this movement as an evil cult in July 1999, but it claimed quite a few practitioners in Australia, among numerous other countries. Specifically, Tang wanted the Falun gong removed from a protest outside the Chinese embassy in Canberra that had become more or less permanent, which the Australian government refused to do.²⁹ When Li Peng visited Australia in September 2002, Greens leader Senator Bob Brown, and parts of the media criticised him because, as premier, he had imposed

²⁹ See Reuters, "Canberra Urged to Act on Sect", *South China Morning Post*, 20 March 2002.

martial law in Beijing in May 1989.³⁰ However, as one who followed Li Peng's visit closely, it was my strong impression that such statements had very little impact on the Australian community as a whole.

When President Hu Jintao addressed the Australian parliament in November 2003, a Chinese dissident and two Tibetan activists were ejected from the parliament's public gallery. The day before, when George W. Bush had given his address, Senator Bob Brown had made a disturbance against the United States and its war against Iraq. The government, keen to prevent a repetition of his performance, prevented him even from entering the parliamentary chamber for Hu Jintao's speech.

There are several reasons why Australia has become much less active in its human rights diplomacy towards China over the years. These include the rising and improving economic and political relations between the two countries, China's improving living standards and economy and hence, in its own terms, an improvement in its human rights, and the fact that under the Howard government Australia has itself come under increasing international criticism on human rights grounds.³¹ My own perspective is to support dialogue on human rights between equals who respect each other but to regard demonstrations against China's national leaders or embassies as both futile and counterproductive.

Tibet

One topic linking issues of the state and human rights in Australia-China relations is the status of Tibet. This is because China regards Tibet as an integral part of the

³⁰ For instance, see Nick Squires, "Li Peng Trip Underlines Growing Trade Ties", *South China Morning Post*, 17 September 2002.

³¹ See also Ann Kent, "Human Rights: From Sanctions to Delegations to Dialogue", in Thomas, ed., *Re-orienting Australia-China Relations*, pp. 147–61. This account, however, takes a line much more critical both of China and of the Howard government than the one I have adopted above.

national territory, thus regarding Tibet as an issue of sovereignty. At the same time, many foreign governments, especially those of the West, have criticised China for its human rights performance in Tibet.

Australia recognizes Tibet as part of China, in line with Chinese policy, but has frequently criticised China for human rights abuses in Tibet. It has also proposed that China should hold dialogue with the Dalai Lama without preconditions, whereas China is willing to have direct dialogue only on condition that the Dalai Lama states unequivocally that Tibet is an integral part of China.

In Australia, as in many other countries, the Dalai Lama has quite a big and very well organized following. In the Federal Parliament Senator Bob Brown is an active and vocal opponent of Chinese policy and behaviour in Tibet and there is a great deal of support for Tibetan independence in the community. When President Jiang Zemin visited Australia in September 1999, Brown even managed to get a member of the Tibetan community into a state lunch given in Canberra in Jiang's honour, and she did what she could to make her presence felt with the president.

The Dalai Lama visited Australia in May 1992, September 1996 and May 2002. On the first two occasions, he met with both the prime minister and foreign minister of the day. When he revisited Australia in 2002, the Australian government was much more cautious in its reactions. Despite strong protest from some members of the Senate, the government prevented the Dalai Lama from making a speech he had planned at Parliament House, because China might have interpreted permission as official recognition for the Dalai Lama as head of Tibet's government in exile. Both Howard and Downer were abroad during the visit, attending the independence celebrations in East Timor, and consequently did not meet the Dalai Lama.

What the visit showed in general was that things had changed significantly since 1996—in China’s favour. In 1996 the Dalai Lama got the meetings and publicity he wanted despite protest from the Chinese. However, by 2002 their diplomacy concerning Tibet had succeeded to the point where the Australian government preferred not to do anything to offend them.

At the end of August 2004, just after the conclusion of the Athens Olympic Games, two Australian protestors staged a mini-demonstration of less than ten minutes in Beijing with a banner carrying the message that the city should not be allowed to host the Olympic Games until it gave Tibet independence. Chinese authorities briefly detained the demonstrators. What the incident suggested to me, however, was how futile and pointless such demonstrations were.

The overall message is clear. In the early and mid-1990s, Tibet was a divisive issue in Australia-China relations. This was because of disagreement mainly on China’s human rights performance in Tibet, but also because of perceptions among the Australian public and even in the parliament over Tibet’s precise status within China. At the beginning of the twenty-first century, Tibet is much less divisive as an issue in the bilateral relationship.

The China-Australia-United States Triangle

Because the United States is the only remaining superpower, its policies and actions are important for what happens in the rest of the world. Some commentators equate globalization with Americanization because of the United States supremacy as a world power.³² Personally, I believe the example of China’s rising influence is reason

³² For instance in his book *Jihad vs. McWorld: How Globalism and Tribalism are Reshaping the World*, Ballantine Books, New York, 1996, Benjamin R. Barber contends that the world is being torn apart by wars, especially “holy” wars, and tribalism *at the very same time* as Americanism (McWorld)

enough to challenge that kind of thinking. But the appeal of the equation between globalization and Americanization is strong enough that I believe any discussion of Australia-China relations in the context of globalization has to take the United States into account.

Looking at the situation from Australia's point of view, I believe that strategic specialist William Tow is quite right in his observation that "cultivating China while maintaining a strong bilateral relationship with the US must be the central components of contemporary Australian foreign policy."³³ Of course, China has its own relationship with the United States and it has been a bit unstable in the twenty-first century. Although the extreme dependence of the Howard government on the actions and policies of the Bush Administration have on occasion been of concern to the Chinese government,³⁴ the negative impact on Australia's relations with China has generally not been particularly serious.

The War Against Terrorism and The War in Iraq

One factor that has given an important common cause to China, the United States and Australia is the war against terrorism that followed September 11. China has had its own concerns about terrorism based on Islamist radicalism since the early 1990s, in

and globalization are bringing it together. He says on p. 4: "Caught between Babel and Disneyland, the planet is falling precipitously apart and coming reluctantly together at the very same moment". Babel is a metaphor for hostile diversity, while Disneyland, the symbol of American films and Americanization, represents the global forces that are holding people together.

³³ William Tow, "Geopolitics, the 'National Interest' and the Sino-Australian Conundrum", in Thomas, ed., *Re-orienting Australia-China Relations*, p. 63.

³⁴ See Michael Wesley, "Perspectives on Australian Foreign Policy, 2001", *Australian Journal of International Affairs*, vol. 56, no. 1 (April 2002), p. 50.

other words for years before September 11.³⁵ Australia was prompt in supporting George W. Bush's war against terrorism, and the support gained in strength because Australians were the majority of the foreign victims of the Bali bomb blast of 12 October 2002. Although for China, there have been some aspects of the war against terrorism that have had negative implications, such as the American military moves into Central Asia and the installation of military bases in Uzbekistan, Kyrgyzstan and Tajikistan, these have not affected Australia-China relations.

On the other hand, China's position on the war in Iraq is very different from Australia's. China has all along adopted a policy supportive of the one taken by such countries as France, Germany and Russia. When the United States and its allies sent troops to Iraq in March 2003, bypassing the United Nations, the Chinese government expressed serious concern in a statement issued on 20 March, declaring that it had "all along stood for a political settlement of the Iraq issue within the UN framework".³⁶ On the same day, Chinese Foreign Ministry Spokesman Kong Quan accused the United States of violating the United Nations Charter and the basic norms of international law.³⁷

Australia's policy under Howard has differed greatly from China's. He has always followed the American line more or less totally, including sending military personnel. However, Mark Latham's ALP said that it would immediately withdraw military support for the ongoing war if it won government in 2004, which in the end did not happen. Despite this very clear and sharp difference of policy over a matter of major

³⁵ I have discussed this in Colin Mackerras, *China's Ethnic Minorities and Globalisation*, RoutledgeCurzon, London and New York, 2003, pp. 49–54, 165–72.

³⁶ Among other places see this statement in "Quarterly Chronicle and Documentation (January–March 2003)", *The China Quarterly*, no. 174 (June 2003), pp. 600–1.

³⁷ "The World Reacts", *Beijing Review*, vol. 46, no. 13 (27 March 2003), p. 43.

world importance, both China and Australia have elected to maintain a low profile on Iraq in their bilateral relations, and it has not been a major divisive issue.

Taiwan

A much more important issue for the China-Australia-United States triangle in the context of globalization is Taiwan. For China, Taiwan and national reunification is at the heart of domestic policy and national identity. But because any country that recognizes the People's Republic of China *ipso facto* also adopts the one-China policy that Taiwan is a province of China, Taiwan has also become an issue in its foreign policy. The United States, in particular, indicated through its Taiwan Relations Act of 1979 that it would assist Taiwan in the event of any military attack on the island.

Since the establishment of diplomatic relations in 1972 and into the twenty-first century, Australia has consistently adopted the one-China policy, which means that it supports the proposition that Taiwan is a province of China. There have, however, been slightly different nuances in approach to Taiwan. In July 1999, Australia opposed Papua New Guinea Prime Minister Bill Skate's decision to shift recognition from China to Taiwan and may have been involved in Skate's consequent removal and Papua New Guinea's move back to China,³⁸ which would show it positive towards China's position. Although China wants peaceful reunification it reserves the right to use force should Taiwan formally declare independence. However, during Jiang Zemin's visit to Australia in September 1999, Howard said publicly that

³⁸ J. Bruce Jacobs, "Australia's Relationship with the Republic of China on Taiwan", in Thomas, ed., *Re-orienting Australia-China Relations*, p. 43-4.

Australia did not support any threats of military force, thus adopting the American position.³⁹

Towards the end of his November 2003 speech to the Australian parliament, President Hu Jintao attacked the Taiwan splittists as the biggest threat to peace in the Taiwan Strait and declared his firm opposition to Taiwan independence. He then went on: “The Chinese government and people look to Australia for a constructive role in China's peaceful reunification”.⁴⁰ The context of this call, for which President Hu used very diplomatic language, was growing international pressure by China to deter the Taiwan leader Chen Shui-bian from adopting laws that could pave the way for a referendum on independence. The next month, United States President Bush said publicly for the first time that he opposed any move by the Taiwan leader towards independence.

In August 2004 Taiwan became an issue involving four administrations, the governments of China, Australia and the United States, and the Taiwan authorities. Given that the context was increased trade and other relations between Australia and China and overall globalization, the developments are relevant here. The issue of Taiwan also has very much to do with China’s territorial integrity and hence with the nation-state as an institution.

What happened in brief was that during a visit to Beijing and North Korea, Australian Foreign Minister Alexander Downer discussed strategic relations between China and Australia with his Chinese counterpart Li Zhaoxing, with Downer expressing delight that Li “gave him the lead to say Australia is now a ‘strategic

³⁹ See Colin Mackerras, “Australia-China Relations at the End of the Twentieth Century”, *Australian Journal of International Affairs*, vol. 54, no. 2 (July 2000), pp. 189–90.

⁴⁰ See <http://www.smh.com.au/articles/2003/10/24/1066631618612.html?oneclick=true>, accessed 31 August 2004, where the speech is given in full.

partner””.⁴¹ On 17 August, just after a meeting with Chinese Premier Wen Jiabao, Downer commented that “under the ANZUS alliance [signed in September 1951] Australia may not automatically have to support the US in a flare-up with China over Taiwan”. Washington responded by saying the United States wanted a peaceful resolution of the issue and, speaking in Hong Kong over CNN television, Downer affirmed that the question was hypothetical, since there is no war between China and Taiwan. Australian Prime Minister Howard later backed his statement in full. He declared that, while Australia had an alliance (ANZUS) with the United States, it also had interests in Asia, including “a strong separate growing relationship with China”, so that “it is not in Australia’s interests for there to be conflict between American and China”. The take of the Taiwan authorities was to be “disappointed” at Downer’s statement. A Chinese embassy spokesman in Canberra commented that “the more clear-cut the anti-Taiwan independence message from the international community, including Australia – the more helpful for a peaceful resolution”, but that China would not tolerate an independent Taiwan.⁴²

We know that both Australia and the United States support China’s position that there is only one China, and both oppose an independent Taiwan. All three parties, Australia, the United States and China also agree that they want a peaceful resolution. There was nothing new about these statements. However, what *was* interesting was that the thrust and aim of Downer’s visit to Beijing, including the statements he made on Taiwan, were “to send a message to China that the balance is shifting in its favour”,⁴³ in other words that Australia is moving more closely to China in its strategic relations.

⁴¹ Catherine Armitage, “Message in a Muddle”, *The Weekend Australian*, 21–2 August 2004, p. 31.

⁴² John Kerin, “Beijing Puts the Flame to Downer”, *The Weekend Australian*, 21–2 August 2004, p. 3.

⁴³ Armitage, “Message in a Muddle”, p. 31.

Director of the Australian Strategic Policy Institute Hugh White criticised Downer for making his statement on Taiwan in China itself, but also acknowledged that it was “a message that it was important to deliver”.⁴⁴ My own position is to favour better relations with China, including in the strategic area, and not to find it disturbing if the Taiwan authorities are “disappointed” at this move. The well-known Australian Asia commentator Greg Sheridan believes that Downer’s comment in Beijing “makes war likelier”, because it might encourage Beijing to miscalculate.⁴⁵ I disagree with this verdict, and believe it overlooks China’s frequent but, in the West, usually ignored statements that China wants peaceful reunification.

And what of the United States and the ANZUS Treaty? Following Downer’s comment that the ANZUS Treaty could only be invoked in the event of an attack on either Australia or the United States,⁴⁶ American Ambassador in Canberra Tom Schieffer said on 20 August that while he opposed Taiwan’s independence he believed that, under the ANZUS Treaty, Australia would be obliged to come to the aid of the United States in any conflict in the Pacific region.⁴⁷ My own interpretation supports Downer’s. Article III of the ANZUS Treaty states that Australia, New Zealand and the United States will “consult together whenever in the opinion of any of them the territorial integrity, political independence or security of any of the Parties is threatened in the Pacific”. Article IV declares that any of the three parties “would act to meet the common danger in accordance with its constitutional processes”

⁴⁴ Quoted by Greg Sheridan in “Taiwan Gaffe Puts Delicate Balance at Risk”, *The Weekend Australian*, 21–2 August 2004, p. 31.

⁴⁵ Sheridan in “Taiwan Gaffe Puts Delicate Balance at Risk”, p. 31.

⁴⁶ Michael Duffy, “World in a New Spin”, *The Courier-Mail*, 20 August 2004, p. 19.

⁴⁷ John Kerin, “Beijing Puts the Flame to Downer”, *The Weekend Australian*, 21–2 August 2004, p. 3.

should an armed attack on any of them occur in the Pacific.⁴⁸ Some commentators suggest that an attack on American forces in the Pacific would constitute grounds for invoking the ANZUS Treaty, whether or not the attack involved the territory of any of the three ANZUS partners.⁴⁹

My own view is that a war that broke out in or near Taiwan following a formal declaration of independence by Taiwan would not threaten the territorial integrity, political independence or security of Australia, New Zealand or the United States, nor would it pose a common danger to any of them. Nobody wants a war and it is extremely unlikely. However, if such a war occurs it could be only because Taiwan declares itself independent, not because of any threat towards any of the three ANZUS partners. China has frequently stated its position that Taiwan is its domestic affair, so any war there would be a civil war, not involving other countries. Any invoking of the ANZUS Treaty for Australia to take the United States side over Taiwan would be both wrong-headed and illegal.

Conclusion

Derek McDougall has summed up Australia's recent relations with China as a case study of "how two culturally and ideologically distant countries have been able to move towards a more pragmatic basis for their relationship".⁵⁰ It seems to me there is merit in this comment, but I also think that globalization has had the effect of

⁴⁸ The full text of the "Security Treaty (Australia, New Zealand and the United States of America) Act 1952" is available on the web at <http://www.austlii.edu.au/au/other/dfat/treaties/1952/2.html>, accessed 21 August 2004.

⁴⁹ See for instance, Paul Dibb, "On Taiwan, the Status Quo Remains Our Best Bet", *The Australian*, 27 August 2004, p. 13.

⁵⁰ Derek McDougall, *Australian Foreign Relations, Contemporary Perspectives* (Longman, Melbourne, 1998), p. 179.

lessening the distance, especially in terms of culture. Australia has accepted greater Chinese cultural influence as more and more Chinese commodities, students and immigrants have come into the country. China has also accepted more of the globalized goods, practices and ideas we associate with the West.

In an article published in 2000, I wrote that “the growing bilateral economic relations are not only the core of the relationship but the primary reason why it was cordial at the end of the twentieth century”.⁵¹ I would still want to emphasize the economic relations, as the above material makes clear. But I am also struck with the extent to which political divisions have lessened in the years since then. I have in mind the fact that differences over Tibet, human rights and Taiwan have weakened, though they still exist. Obvious areas where Australia and China have adopted different policies, the most notable being the invasion of Iraq, do not seem to have affected the relationship to anything like the extent one might have expected.

McDougall’s point about pragmatism is clearly apt. Globalization has positive effects in a bilateral relationship such as that between China and Australia, because it encourages trade and the interchange of culture and ideas. But at the same time one must remember that in the major globalization debates the two countries do not necessarily share similar interests.

The Australia-China relationship is clearly asymmetrical. China is much larger and more powerful than Australia. Moreover, the asymmetry is becoming more pronounced rather than the other way around. Though the Australian economy has done well, China’s economic and political rise has put it far further ahead of Australia in terms of regional and global power than it was ten, let alone twenty, years ago. In this context, what is remarkable about China-Australia relations is how good they are,

⁵¹ Mackerras, “Australia-China Relations at the End of the Twentieth Century”, p. 197.

not the opposite. Certainly it is not easy to manage so asymmetrical a relationship.⁵² But it seems to me that the success of both countries in their bilateral relations gives the lie to Samuel Huntingdon's thesis on the "clash of civilizations". It *is* possible for countries with different sizes, cultures, traditions and ideologies to enjoy cooperative and fruitful relations with each other.

⁵² Garry Woodard, "Australia and China", in Mark McGillivray and Gary Smith, eds, *Australia and Asia* (Oxford University Press, Melbourne, 1997), pp. 152–3.