

Australia's China Syndrome

By Dr. John Bruni

For years now, Australian policy makers have been arguing about the strategic nature of China.



The question that dominates the agenda is whether the People's Republic is a threat to Western interests in the Asia-Pacific, or simply a rising power trying to defend its sovereign interests in a world that is moving away from European/North American hegemony. Australian politicians and their advisors are largely divided on this issue. They are happy to see the inflow of Chinese investment into Australian agriculture and mining sectors, and the importation of cheap Chinese goods – all of which, they believe, are in the national interest. But there is resistance to Chinese international and/or strategic positions when these positions obviously clash with the interests of the United States, even when it can be rationally argued that the positions taken by Beijing are legitimate.

Canberra is wedded to the idea that the Commonwealth of Australia can perform a massive foreign policy juggling act. That it can keep China as its primary trading partner, while obviously hedging its bets that Washington is right, and that China may very well be a future threat.

Some economic analysts have argued that Australia's commodities (essentially food, minerals and metals) are critical to Beijing's contemporary national development model. So much so, that without Australian commodities, China may well have to turn to other, more distant and potentially less reliable trading partners in Africa or South America to fill the gap. It is argued that such a scenario would reap grave strategic consequences for China in that the cost of domestic manufacture would rise, as would the cost of exporting finished products out of the 'Middle Kingdom'. A rise in the price



of Chinese goods might make them less competitive against other Asian and global competitors which

would lead to a slump in the Chinese growth model, based as it is on the exportation of cheap goods. Add to this the likelihood that the Chinese People's Liberation Army Navy (PLAN) would need to defend exceedingly long and vulnerable maritime trade routes which would require China to develop an expensive naval capability to keep naval choke points open, and we begin to see that perhaps the juggling act that Australia is playing might actually be in the country's

interest. China is not as strong as its propaganda machine maintains, neither can it divorce itself from trading partners like Australia without entering the uncharted economic waters of ‘mutually assured destruction’ – a game the Chinese Politburo has no intention of playing considering the great internal stresses at work in keeping the modern Chinese state afloat.

As for Australia, having spent close on \$30 billion in shoring up America’s Global War on Terrorism (GwOT), \$7



billion of which was spent on the Afghan theatre of operations alone, the question one needs to ask is, can the country afford to continue the pretence of strategic belligerency against China – a game American policy makers are gearing up for in the wake of the much anticipated US withdrawal from Iraq (end of 2011) and the likely NATO withdrawal from Afghanistan in 2014. If Canberra believes that the current status quo in its bilateral relations with China is secure, then what is to be gained from supporting an American strategic posture that may provoke the Communist Chinese leadership into counter actions which could damage the economic fabric that it relies upon to isolate itself from the economic mess that is the post-Global Financial Crisis (GFC).

Speaking hypothetically, what of the large levels of military expenditure that the

Australian taxpayer will have to underwrite in order to bolster the nation’s Navy and Air Force to meaningfully punch above its weight in a clash between the United States and China? Currently the Royal Australian Navy is investing heavily in the construction of 3 air warfare destroyers, 2 helicopter carriers and in the longer-term, 12 submarines to replace the fleet’s 6 Collins class boats. If all goes well for the Royal Australian Air Force, its existing F/A-18



fighter arm will be replaced by 100 F-35 Joint Strike Fighters. This is a massive modernisation programme designed to keep the Australian military technologically on par with that of the United States and qualitatively well ahead of the militaries of Southeast Asia. If Australia is to revert to its previous strategic doctrine of defence self-reliance, then perhaps keeping a regional technological lead in military hardware, especially in naval and air power, is eminently rational. If, on the other hand, the primary reason for the weapons modernisation is to act as a potential adjunct to US military power in Asia, then perhaps the investment is inappropriate and wasteful.

Using China, its number one trading partner, as a *raison d’être* for Australian force modernisation is unnecessarily provocative. China is a rising power to be sure, but its rise is not guaranteed. The country has a number of burning social, political, demographic and economic cleavages that

could at any time overwhelm the Communist Politburo. Should a political bonfire start from within China, then China's rise under current terms will end, and with it, Australia's certainty of a stable Chinese market for its commodities. Even were China's rise somehow guaranteed, Australia's foreign policy position toward both China and the US would need to be clarified, for as China grows in power, its ability to diplomatically intimidate Australia into a more submissive stance would grow too. We need to be mindful that this latter scenario is very long-term and highly speculative. In the more immediate term, China as a military power is extremely limited. It cannot deploy and sustain substantial forces abroad to distant theatres, although some PLAN warships have recently been deployed for anti-piracy duties off the Somali coast.



This situation is likely to remain a key characteristic of the Chinese military for some time to come. China might have the ability to affect areas adjacent to its borders such as India, South Korea and Japan, but Australia will remain too distant a target unless it were prepared to launch its few

intercontinental ballistic missiles or conducted a covert special operations raid. But for this latter scenario to happen Australia and China's relationship would have to deteriorate to spectacularly low levels. Since both countries are happy making money off each other, this seems extremely unlikely.

But, having said that, Australia, as a close US strategic ally, may entertain the notion of assisting the US should Washington, for its own strategic reasons, want to confront China. And therein lies the danger for Australia because its foreign and strategic policies are so closely tied to the United States. Australia's entrenched political unwillingness to foster a little constructive distance between itself and its powerful friend, could draw the country into a damaging diplomatic stoush or highly damaging conflict against its own better judgement.

Australian Prime Minister Julia Gillard & Chinese Premier Wen Jiabao image:

http://images.theage.com.au/2011/04/26/2325968/Gillard_Wen-420x0.jpg

Chinese Factory image:

<http://rcoates.files.wordpress.com/2010/07/china-factory.jpg>

Australian soldiers on patrol in Afghanistan image:

http://upload.wikimedia.org/wikipedia/commons/2/2d/Australian_Army_dusk_patrol_Afghanistan_2009.jpg

Australian JSF image:

<http://autoidlab.eleceng.adelaide.edu.au/static/JSF.jpg>

Chinese ships patrolling off Somali coast image:

<http://chinadigitaltimes.net/wp-content/uploads/2009/03/ships.jpg>