

China chary, Gillard on guard ahead of talks with Hu and Wen

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The Australian
25 April 2011

The Australian Tibet Council has asked her to address the grievances of Tibetans amid a crackdown by China's security forces on protests by monks at Kirti monastery in Sichuan. The Liberals want Gillard to ascertain from Chinese leaders whether they will impose a price on China's carbon emissions. The business community would like to see the PM make progress on a free-trade agreement with China.

Australian security strategists would like Gillard to press China's leaders for clarification of their military intentions as a regional power. And just about everyone demands that Gillard raise Australia's concerns about the deteriorating human rights situation in China.

But what is on the minds of Chinese leaders as they prepare to welcome Gillard to Beijing?

From the perspective of China's President Hu Jintao and Premier Wen Jiabao, Gillard represents a country which, besides being an ally of the US, is politically stable and a reliable resource provider.

Foremost on the mind of any Chinese leader when thinking of Australia are resources, resources, and resources. For more than a decade resource security has been a paramount objective of China's foreign policy. But concerns over China's ability to obtain the necessary resources to fuel its economy have escalated following the political upheaval in North Africa and the Middle East.

China's dependence on nations such as Australia increases with every revolution and ascent of a possibly unstable new government in other resource-rich countries. Thus the declared prime focus of Gillard's visit -- trade and investment -- suits China's leaders well.

The leadership will seek assurances from Gillard that the Australian government will not stand in the way of Chinese companies investing in Australia, despite WikiLeaks cables alluding to Canberra's investment regulations de facto targeting Chinese state-owned enterprises. Wen will presumably present the PM with a comprehensive explanation of the imperative to establish a level playing field for foreign companies in Australia. Wen will not, however, mention the barriers Australian companies face in China in several sectors deemed off-bounds either for national security reasons or by virtue of being protected by the Chinese government as a key emerging industry.

Hu, in turn, can be expected to elaborate on China's intent to contribute to regional (and global) stability.

Canberra's Defence white paper of 2009 is still a sore point among Chinese officials. Only last month, on hearing that I was moving to Sydney, a senior foreign policy official in Beijing retorted that the rationale behind the white paper was totally unacceptable.

Gillard will be told that Australia is misguided in viewing China's rise as a source of concern, let alone as a reason to strengthen its defence capabilities. Improving regional co-operation and finding ways to enhance Australian and Chinese collaboration in the G-20 are topics on which Hu and Wen will seek to engage Gillard.

They will also be eager to hear about the bilateral consultations between Washington and Canberra on the US Global Force Posture Review. Beijing's leaders are deeply uneasy about the Americans' desire to discuss "evolving strategic challenges in Asia" with its allies. In the minds of Chinese leaders, talk about how to manage China's rise is just a half-step away from containment.

To what degree Beijing's leaders will express dismay that Gillard sought especially close ties with Washington during her visit last month will be one of the key strategic takeaways from the visit.

What China's leaders have no interest in discussing with the PM are issues such as the violent incidents at the Tibetan monastery or the increase in detainments of Chinese citizens perceived to hold dissenting views.

For all their outward calm and confidence, China's leaders suffer from existential anxiety. China is rife with societal contradictions that the leadership fears could lead to instability. The recent events in the Middle East have only added to their determination to eliminate any political opposition.

Hu and Wen will be prepared to give their standard platitudes to Gillard when she raises concerns for human rights in her closed-door meetings.

Two weeks ago outgoing US ambassador Jon Huntsman broke with what has during the past decade become the norm among Western diplomats and leaders, who have avoided speaking out in public in China about the human rights situation. In a speech in Shanghai, Huntsman promised that the US would continue to champion respect for universal human rights and spoke in defence of Chinese social activists, naming three jailed ones. The Chinese will be upset if Gillard follows Huntsman's lead.

Gillard is an unknown entity for Hu and Wen. Obviously, all concerned will be on guard. While Gillard tries to strike a balance to promote Australian interests from the perspective of the economic benefits and security concerns that follow from China's rise, Chinese leaders will be doing the same from their perspective -- promoting flourishing economic ties to secure resources while addressing China's security concerns. There is every reason to believe that Hu and Wen will strive to make the visit tension-free.

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