Can India Replace China for Australia?

At first glance, the question in the title seems a figment of the imagination, affected by this year’s abnormal heatwave. Indeed, the two great powers India and China, part of the narrow pool of significant players in the current “Great World Game,” occupy their spots at the gaming table. These spots, of course, are not entirely autonomous and overlap with each other to a certain extent (which is a source of problems in bilateral relations).

Still, it seems clear that each of the two Asian giants has its function in the game and cannot “replace” the other in its relationship with any third player. Not in any sense.

And yet, the above question is not a product of the author’s imagination but taken (almost verbatim) from the Australian media. Again, this is not about the “work” of a propaganda fighter, but an article by Tony Abbott, the former Prime Minister of Australia (2013-2015). The text, titled “Answer to almost every question about China is India,” appeared in the August 9 issue of The Australian. Its main points can be found here.

A few words about the author. Tony Abbott took office in September 2013 after a convincing general election victory by a coalition of (right-wing) Liberal Party and National Party of Australia. Of these, the first was led at the time by Tony Abbott. This ended a six-year period in the power of the center-left Labor Party, which was remembered for two times (2007-2010 and 2013) the post of Prime Minister was held by Kevin Rudd, a politician with a specific charisma,
who publicly demonstrated sympathy for China at the time. However, his recent article in the Indian Express was written in a very restrained tone concerning the People’s Republic of China.

The fact that in late 2007 the Labor Party led by Kevin Rudd came to power in Australia was one of the (several) obstacles to the project of forming a “quadrilateral” political-military configuration (QUAD) consisting of Australia, India, the United States, and Japan. That is, barely born in the mid-2000s, it was forgotten for a decade and a half.

After the change of party affiliation by the Australian leadership in the fall of 2013, the traditional for conservatives (almost throughout the postwar period) negative course towards China was briefly reinstated, with a clear preference for the development of military and political ties with the United States and Japan. However, there has been a definite return to the policy of the predecessors concerning Beijing. First of all, in trade and economics.

A year later, during a visit to Canberra by the then-Chinese Minister of Commerce, the Free Trade Agreement between China and Australia was finally signed after ten years of negotiations, which the parties called historic. On this occasion Tony Abbott, in particular, said, “It means that Australian consumers will pay less for cars, for clothes, for electronics and other goods imported from China.” He was echoed by the former Australian trade minister Andrew Robb: “The landmark agreement will lock in our existing trade relationship with our largest trading partner and will be a catalyst for future growth across goods, services, and investment.”

And until recently, trade and economic relations between China and Australia were developing in line with these optimistic expectations, despite the political problems that arose in bilateral relations shortly after the above words were spoken.

So far in Australia’s foreign trade, the basis of its prosperity, China has accounted for almost a third of the total volume. China remains the undisputed leader among Australia’s main trading partners, many times ahead of them in all major indicators. The third-ranking US is five times behind China. Australia’s annual trade surplus with China is a gigantic $120 billion.

Regarding the main items of Australian exports, China buys 100% of nickel ore, 95% of wood, 80% of iron ore, 77% of wool, 76% of lobster, 55% of food semi-finished products, and 54% of barley. Until recently, up to 40% of the exports of Australia’s rapidly progressing wine industry were sold to China.

It is worth noting that, judging by the data for the first half of this year, there is not only a rapid recovery but also a sharp increase in bilateral trade, as well as a positive balance in it for Australia. And all this, again, despite the political turmoil in Sino-Australian relations over the past few years and the negative impact of Covid-related restrictions on all parts of the trade route linking the two countries.

And here the author would like to note the almost main factor of the political plan, which began to cast a shadow on the whole optimistic picture of China relations, which Prime Minister Abbott first drew. This factor is due to the finally determined at the beginning of the last decade trend of China becoming the primary geopolitical opponent of Australia’s leading political ally, i.e., the US.

A choice has been made between continuing Labor’s policy of embedding Australia in all aspects of the Asian continent (where the focus of global politics is shifting) and remaining part of the Western world.

The second factor required a demonstration of solidarity with the latter’s attempts to rally the ranks in the face of the “new threat,” which is associated, to reiterate, with the transformation into a global power of the leading country of the Asian continent, that is, the People’s Republic of China. Such a view of the world was documented during the recent tour of Europe by US President Joe Biden.

In the author’s view, this is an erroneous assessment of the possible consequences of China becoming a global power due to the transfer by the leading Western countries of their recent history to Beijing, while the spread of influences to the outside world was carried out mainly by means of weapons.

There is no connection between this behavior strategy in the international arena and the critical concept of the current Chinese leadership, commonly referred to as the generalized Community of One Destiny meme. In practical terms, this is carried out in the form of the global Belt and Road Initiative.

In any case, Australia has been among the leaders among Washington’s allies in the process of implementing its strategy of politico-military containment of China. Such a strategy could not but affect the economic sphere of interstate relations. In 2017, Australia was the first Western country to deny the presence of Chinese IT giant
Huawei in its market due to security concerns.

Things began to look very bad last spring after Canberra became involved in the previous US Secretary of State Mike Pompeo’s attempts to blame China entirely for the emergence and consequences of the Covid-19 pandemic. It came, albeit briefly, to the point of joining demands for financial compensation from Beijing for its worldwide damage.

Australia was equally active in Washington’s propaganda attacks on the “oppression” of the Hong Kong, Tibetans, Uyghurs, “threats” to the Taiwanese, as well as in reviving QUAD, which had been in a long lethargic sleep. The first summit of the participants in this configuration was held in March of this year.

Beijing’s reaction to all these unfriendly (to put it mildly) actions by Canberra has so far been very moderate. It has been limited to symbolism appealing to the partner’s mind (for example, refusing to purchase Australian wine): “Guys! Why don’t you stop wrecking what we’ve built together over time to the benefit of both of us?”

And against this background, just six years after leaving the top government post, the author of an almost miraculous Australian policy on China writes an article filled with negativity about China. He considers it possible for India to replace China in relations with his country. The case is hopeless, if only because the scale of India’s economy is five times smaller than that of China. And the volume of Australia’s trade with India is now eight times smaller than that of China-Australia.

Not to mention that Abbott’s party successors, now running Australia, are to blame for the deterioration of relations with Asia’s leading power and an extremely profitable partner.

And, in order not to engage in such nonsense, one need only stop playing the role of the Australian sheep, blindly following Washington’s donkey (while not forgetting to nibble on the Chinese weed), which lives on the other side of the globe in relation to the common home of the Chinese and Australians.

However, the author believes that if Abbott’s fellow party members follow his current advice, the new Australian government, formed by political opponents of the liberal conservatives, will fix the aforementioned and similar “nonsense” in a year.

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