

BOOK REVIEW:

China's grand strategy and Australia's future in the new global order

by Geoff Raby

Melbourne University Press: Carlton, Victoria; 2020; 226 pp.; ISBN 9780522874945 (paperback);
RRP \$34.99



The unipolar, rules-based global order led by the United States, which followed the Cold War, has been disrupted by the rise of China, America's relative decline and President Trump's 'America-First' policies, division within Europe, and successful defiance of the global order by authoritarian states. Autocracies are exercising greater control over world affairs and human rights. The rule of law, free media and longstanding global institutions all seem set to be weakened.

China is doing its best to shape the emerging global order based on its own interests and aspirations. In order to understand China's role in shaping the new global order, one needs to view the world from Beijing's perspective and the grand strategy that the Communist Party of China (CPC) is seeking to pursue. This Raby attempts in this book before discussing what it may mean for Australia's future.

Raby is an economist and diplomat. He was Australia's ambassador to China between 2007 and 2011; and earlier had been our ambassador to the Asia-Pacific Economic Co-operation (APEC) forum (2003-05) and to the World Trade Organisation (1998-2001). He is currently chairman of the Australia-China Institute of Arts and Culture at the University of Western Australia; and was appointed an Officer of the Order of Australia in 2019 for distinguished service to Australia-China relations and to international trade.

According to Raby, China's grand strategy springs from weakness, not strength. China is constrained by its geography, its history and its lack of resource endowments. It shares land borders with 14 other nations, with most of whom it has had disputes; it is still an empire containing disaffected populations in Tibet, Xinjiang, Taiwan and Hong Kong; and the energy and natural resources on which its industry depends need to be imported through strategic chokepoints (e.g. Malacca Straits, South China Sea, Suez and Panama Canals) which can easily be blocked by competitors – its vital exports are similarly constrained. It cannot yet compete against the United States in 'hard power' (coercion/warfighting); and lacks 'soft power' (persuasion) due to minimal diplomatic legitimacy, international suspicion of the CPC system of party-state government, and its increasing authoritarianism at home and more muscular foreign policy under Xi Jinping.

Consequently, China is basing its grand strategy on 'sharp power' – using its growing economic muscle to achieve its diplomatic goals, especially through its Belt-and-Road Initiative, augmented by trade, aid and institutional entrepreneurship – e.g. Shanghai Co-operation Organisation, Asian Infrastructure Investment Bank, Silk Road Fund, New Development Bank – as

alternatives to the international order and institutions established under United States leadership. These initiatives are accompanied by political interference abroad; investments in overseas assets; acquisition (legal or otherwise) of foreign technology; and cyber warfare; although China is not the only nation-state to engage in such 'grey-zone' activities.

Raby says that Australia must accept that there is a new world order emerging and must assess its future relationships with China realistically. China is a constrained superpower, unable to become a global hegemon, but seeks legitimacy for its system of government. To be effective, Australia must pursue an independent foreign policy and build conditions which enable Australia and China to work co-operatively on issues of common concern.

The book commences with a lengthy introduction – in effect, a synopsis of what is to follow. That alone is worth reading. Then follows the main body in three sections. The first examines the CPC's grand strategy and the emerging world order that China is seeking to shape to its benefit. The second part examines Chinese society – the ties that bind it together; its dichotomies and its complexities; and the extent to which the CPC has been able to develop soft power and hard power. The third part looks at what all this means for Australia's future, which Raby envisions as being 'dystopian', and then proposes strategies for navigating our way through the new world order. A brief conclusion and a postscript about the effects of COVID-19 on the book's assessments – the book was largely written before the global pandemic of 2020 – round out the book.

Australia has several sound strategic analysts who range in perspective from centrist to conservative in outlook. While these analysts generally start from the same evidence base, they tend to reach different conclusions depending on their tolerance of risk and the degree to which they take China's limitations into account.

This book is refreshing in that it reflects a balanced, centrist approach which places realistic weight on China's constraints. I am less inclined, though, to be as sanguine as Raby is that the certainty of mutually assured destruction would prevent nuclear war between the United States and China. While neither side wants aggressive competition to lead to a 'hot' war, the danger of a miscalculation by one or other side could trigger conflict that escalates to a nuclear engagement, posing a potentially existential threat to humankind.

This is a well-argued and written treatise and I recommend it to all with an interest in Australia's future in the new global order.

David Leece