

Comment by Michael C H Jones
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This Tuesday 26th May I do another major interview with China Daily. The last one several years ago, on the ACCCI website, emphasised treating the PRC as a rising/returning global Great Power by the same standards as the USA.

Recent developments both territorial and financial reaffirm China's international standing whether in the South and East China Seas or via the establishment of globally active banks, BRICS and AIIB. The US narrative has always emphasised "competition" and that is what the PRC is providing everywhere simultaneously.

I cannot recall, recently, reading China's geo-strategic policies towards the South, collectively, by Region or Bilaterally. Brazil is a long standing member country but South Africa a comparatively new national addition to BRIC(S). However the pace of China's economic penetration, and therefore political and perhaps socio-cultural influence, in southern Africa and South America seems to have dramatically accelerated. Part of the strategy would appear to be encouraging regional cooperations as a limitation on US/Western "controls".

It is in this context that South African foreign policy initiatives become regionally/globally significant. The stress on linkages across the Southern Atlantic with not only Brazil but also Argentina and Uruguay, and the attempt to "integrate" Nigeria into closer economic cooperation has ramifications for USA/PRC rivalries. More importantly for Australia are at least three SA programmes re 2050 AIMS (Africa's Integrated Maritime Strategy), Ibsamar (India-Brazil-South Africa Maritime Cooperation 2008) and PHAKISA launched in July 2014 announcing priorities on ocean economics in both the South Atlantic and Southern Indian Oceans and possible bilateral cooperations for socio-economic development. South Africa is trying to position itself as a "gateway" between Atlantic Latin America and Indian Ocean Asia.

This is where the national interests and therefore Ocean Strategies of South Africa and Australia overlap, Australia is the great landmass continental "aircraft carrier" of INDAUSPAC re Indian Ocean, Australasia and Pacific Ocean - potentially the entire Southern Hemisphere can be militarily "dominated" from communication sites and air/sea bases on Australian territory including the 40% plus claim to Antarctica. That is why Australia has become a diplomatic "battleground" between the USA and PRC. Each has its domestic supporters in the security and business circles.

Yet the debate, indeed philosophical tussle, goes beyond USA/PTC rivalries throughout the world. In a global institutional and multipolar environment, other Great Powers such as Russia and potentially India, Japan and the EU, plus Great Powers of the second G20 rank like Australia, Brazil and Turkey, together with Regional Powers of South Africa, Iran and Indonesia, the national tensions become broader and deeper especially when longtime historical injustices are alleged. These are heightened by internal domestic rivalries whether ethnic, religious or otherwise. Can the USA maintain the post WW2 status quo, or will the PRC "remodel" it in concert with other disgruntled countries?

ACCCI has anticipated/contemplated these eventualities since our foundation in September 1976, and as you can read in my Observations column on this website Chamber's strategies have evolved/changed virtually every 4/5 years to meet the challenge of China's momentum of initially economic development to membership of the WTO in late 2001, and over the last decade especially since the 2008 GFC and Beijing Olympics it's return as a global Great Power.

In recent years Chamber has emphasised GERG (Global Economic Relations and Governance), the way in which China has developed and used it's economic power Bilaterally, Regionally and Globally and how feeble the USA response has been. Our frustration levels across all levels of Governance - global, regional, national, provincial, city and district, with respect to missed trade, investment and economic opportunities by Australian authorities, both public and private, has been nauseous.

So many initiatives not even considered let alone followed up.

1) The ACCCI Key Cities Strategy from the mid 1980s with a China Network of 200 cities closed down by the GFC in 2008. Yet the Australian Department of Foreign Affairs and Trade only opened a Chengdu Consulate in 2014 -extraordinary!!

2) The emphasis on Sydney-Shanghai economic relations since the mid 1990s which has been totally truncated by the anarchy in Greater Sydney Governance re 41/42 mayors with a CBD Lord Mayor with water bubbler powers. Belatedly after 20 years a NSW State Government is trying to bring about reform that might make Sydney a truly international financial city?

3) The extension of the ANZ CER to the entire South West Pacific Island Nations such that appropriately qualified people have automatic residency/work rights in Australia. That would not only underwrite the respective Economies but discourage long standing Chinese strategies now upgraded into the Southern arm of their newly announced Silk Routes Land and Seas objectives. Australia still dithers despite Foreign Minister Julie Bishop's best efforts.

4) The SART (Southern Alliance Round Table) initiative of again the mid 1990s wherein Chamber convened two conferences in Sydney comprised of representatives from government, business and academia from South Africa and Zimbabwe, Argentina and Chile, as well Australia and New Zealand, addressed the first year by Chinese delegates and the second year by Indian representatives. It anticipated the world today and tomorrow, and was an attempt to keep these countries in Australia's regional southern hemisphere orbit. No thanks from the Liberal or Labor Governments, Federal or State.

5) With the launch of the Indauspac sites on the ACCCI website Chamber even assisted in Europe with the now failed integration of Russia. USA/EU policies rightly or wrongly have thrown Russia to the China orbit which may or may not be a productive result for global economic development - but it will bring challenges for Australia.

As they say: time will tell?