

NZ-China Friendship

Navigating between the Giant Panda & the Bald Eagle

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Despite the light hearted title of this digression to describe NZ's overriding international preoccupation as an exercise in comparative zoology cannot disguise a basic fact that the task for NZ of navigating diplomatically between China and the US represents a defining modern challenge for this country. It exceeds anything NZ has previously encountered in its one hundred years of small country international relations experience. It is a challenge which will endure and is shared with many other countries especially in East Asia but also beyond, great and small, for whom China has become a number one economic partner and transforming influence in a world of America's established primacy.

For an appreciable period of the twentieth century, NZ's international 'comfort zone' revolved around agreeable dependency upon a small but powerful group of English speaking countries led first by Britain and then by the US who provided the essentials for our national security, prosperity and sense of belonging. Some of this was an extension of NZ colonial inheritance. Certain legacies endure, like involvement with the Five Eyes intelligence sharing arrangements amongst that small bevy of english speaking countries, in which NZ is the most junior participant.

But the striking political, economic and commercial advance of East Asia, led first by Japan and then by China over the latter part of the old century, began seriously to transform the balance of NZ international interests. The relevance of some of these old 'comfort zone' assumptions needed reassessment although we are not ready yet, it seems, for a national debate about Five Eyes and its actual relevance to NZ's 21st century needs. A more hybrid international and regional order is nonetheless emerging where diversity is the hallmark. The lesson here is that as the world and our Asia Pacific region become more modern and interdependent through globalization, they do not necessarily become more uniform. Countries do not necessarily grow more like one another although some expectations and experiences converge. The Giant Panda will not transmute into the Bald Eagle nor vice-versa.

Yet China- US relations do not provide an exclusive prism for NZ regional interests. As a genuine global trader which derives ideas, interests, values and prosperity from different sources, NZ possesses vested interest in global stability and wellbeing. Regionally our individual relationships with East Asian governments, and the relationships between those governments themselves are central to NZ's successful future. We cannot of course ignore recurrent animosities that complicate ties between China and Japan, between China and Vietnam, between Japan and Korea etc. Right now forceful discord over disputed sovereignty claims to rocks and small islands in the East China and South China Seas sows dissension, although against a background of substantial and growing economic interdependence.

It is crucial that NZ maintains strict neutrality about those competing sovereignty claims and continues to urge diplomatic reconciliation on all the parties involved. The disputes are caught up in broader China-US wrangling over American naval operations along the edge of China's 12 nautical mile territorial sea. Beijing robustly challenges this practice on the grounds that the UN Convention on the Law of the Sea (UNCLOS) forbids such operations within another country's EEZ. The US robustly rejects that interpretation. Nowhere in UNCLOS is it clearly stated that a state may not conduct military activities inside another's EEZ. The considered opinion of the Chairperson who led nine years of complex UNCLOS negotiation is moreover that "the general understanding" amongst the negotiators, was that such activity is permitted.¹ The US has not ratified the UNCLOS, whilst China has.

It is obvious China retains vital interest in open sea lanes of communication given that over 50% of China's GDP derives from foreign trade. It is committed to strengthening its relatively weak navy including to resist American forward military positioning and the US claim to complete freedom of military navigation. China's expansion of military capability however disturbs neighbours including those with competing sovereignty claims- Vietnam, Philippines, Malaysia, Brunei and Japan. These have responded by availing themselves of America's offer of closer military partnerships while increasing too their own levels of military expenditure. All of this is producing a regional three-ring circus of decided complexity. Conflating the various sovereignty claims with the specific

¹ Hayton B. The South China Sea. Yale University Press. 2014 pp. 211-215

China-US contest over freedom of military navigation complicates, or is designed to complicate, constructive reconciliation. It is very difficult after all to envisage great power war between China and the US solely over rocks and small islands of the China Sea.

NZ sets great store by its relations in South East Asia which are disconcerted by China's assertiveness about the the sovereignty claims. NZ must have the courage to convey disappointment to all concerned when various friends fall out. Skilful efforts earlier by China to cultivate its ASEAN relationships, both individually and collectively, are overshadowed by its more recent muscular conduct. China's offer first made 25 years ago to ASEAN governments for 'joint development' of the resource potential in the marine areas is now resisted by such governments unless or until the sovereignty disputes are first settled. With Japan acrimonious differences over sovereignty are compounded by Japanese intentions with American encouragement, to pursue a more assertive regional security presence; and to amend interpretation of its Constitution to permit military deployments in that cause. All this illustrates precisely the intricacy for NZ diplomacy on the regional chessboard, as it adjusts to the emergence of the Giant Panda whilst striving to deepen other relationships in East Asia, essential to NZ regional interests.

The welcome build back of NZ relationship with the US, after a twenty year period of estrangement over the NZ non-nuclear policy, has motivated closer connection with the Bald Eagle . The 2010 Wellington and 2012 Washington Declarations set the framework and the second of these centres upon military cooperation in Asia with language that comes close in some peoples' minds, to suggesting that a *de facto* alliance now binds NZ to the US.² NZ ministers insist however that the Declaration does not amount to a reversion to the formal ANZUS Treaty. Nonetheless its provisions exceed by a significant margin any defence cooperation that NZ has, or apparently envisages , with China.

NZ defence policy makers must be specifically tasked by Government to extend defence ties with China, thereby consolidating the "whole of government" approach to relationship building, which the NZ political leaders profess but apart from some routine traditional defence diplomacy, is noticeably absent from our China defence relationship. This is not a

² Ayson R. & Capie D. Part of the Pivot? the Washington Declaration & US-NZ Relations. Asia Pacific Bulletin. Number 172, July 2012. East-West Centre.

simplistic argument in favour of simply striving for equivalence with the US. The Bald Eagle is anyway committed to rebalancing its global reach with increased political, economic and security attention to East Asia. A genuine question mark hangs over whether America's preoccupations with deep crisis in the Middle East and forceful disagreements with Russia over Ukraine will distract Washington from the discernment indispensable to a fresh reshaping of Asia policy which is at the same time responsive to China's exceptional situation. For this reason and others, NZ must cultivate and retain a real capacity to think independently about political and security policy, and issues in regard to China and the East Asian region.

While the extent of their economic interdependence is real, there remains abiding uncertainty about how far the Panda and the Eagle actually see their destinies to be strategic partners, or strategic rivals. China professes to see the menace of containment in the military dimension of America's new pivot to Asia and its encouragement of Japan to assume a role of regional security provider. On the other hand the US questions China's good faith as a constructive stakeholder in existing regional and global order; as well as her attachment to the rule of international law. Criticisms on both sides are periodically strident. Yet at the same time both governments demonstrate ability to reach common understanding on big global issues like climate change which is symbolically important, whatever sceptics believe.

A basic question endures however over whether China's expectations of primacy in its region can be reconciled with America's assertion of continued global supremacy. For the foreseeable future an active American presence in the region is assured. Presence is however one thing, leadership is, or can be, something else. It is not clear that East Asian governments actually want American leadership although they value the reassurance of her presence. At the regional level the US support of the trans Pacific Partnership (TPP) which excludes China, and includes just a minority of Asian governments may be interpreted as an endeavour to subtract from China's preeminent place as the regional economic dynamo for success. China's support for alternative arrangements that either exclude the US (as a counter to TPP) or envisage an eventual Asia/Pacific wide free trade area where US preferences and policies alone would not set the negotiating parameters, as they do in TPP. NZ has a foot in both camps so that difficult choices may lie in wait.

The challenge from all of this for NZ is sharpened by our success in securing a non-permanent seat on the UN Security Council (UNSC) for 2015-16. For the next two years NZ will share the same table as the Eagle and the Panda while they with others deliberate, decide or disagree about major issues of international peace and security. NZ's formal position as 'friend and not ally' of either Beijing or Washington and the fact too it possesses itself no power nor serious axes to grind, allows us in theory to remain balanced and evenhanded about major issues before the UNSC. But in practice, hard decisions one way or another inevitably require choices to be made and NZ will/may disappoint either China or the US or both, by the way it positions itself on specific issues.

Both the Panda and the Eagle have expectations of NZ as a Council member. The Chinese President is the first leader from one of the Permanent Five (P5) UNSC members, to visit here hard on the heels of NZ's electoral success. He comes for a variety of reasons but the very fact of the visit gently registers the point of Chinese expectations when we sit alongside one another at the UNSC table. With both the Giant Panda and the Bald Eagle it is vital that NZ retains the courage and conviction 'to speak truth to power'. Successive NZ Governments have extolled their ability to do this in relation to China and human rights. That should lend us confidence to do the same on issues of political and military security as well as the observance by **both** countries of international law during the intense deliberations and negotiations over the next two years that accompany UNSC decision making. What is certain is that the UNSC experience will provide an acid test for the quality of established NZ relationships, and the dexterity of our diplomacy in both Beijing and Washington; as well for the genuine independence of our thinking about foreign policy so fondly proclaimed for NZ by successive governments.
