

Talking with China: The Australian Labor Party visit and Peking's foreign policy

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ERRATA

Page 1, Line 2:

1971 should read 1970

Page 29, Line 14:

Chi: should read Pai:

Stephen FitzGerald was formerly a China specialist in the Australian foreign service, with which he had served in Hong Kong and on the China desk in Canberra, and from which he resigned because he disagreed with Australia's China and Asia policies. He is now a Fellow in Far Eastern History at The Australian National University and Deputy Head of the University's Contemporary China Centre.

He has visited China on three occasions, the last being as adviser and interpreter to the Australian Labor Party delegation in 1971.

Dr FitzGerald, whose research interests are concerned mainly with Chinese foreign policy and the relations between China and South-East Asia, is author of *China and the Overseas Chinese* (Cambridge, 1972).

In 1971 the Australian Labor Party sought and received an invitation to visit the People's Republic of China, a country it has long been A.L.P. policy to recognise. The purpose of the visit was to explore matters of common interest.

This paper does more than record the A.L.P.'s visit and the discussions in Peking. It sets the visit in the context of Australia's policy towards China (an issue in domestic politics since 1949) and of China's foreign policy and the aims and conduct of Chinese diplomacy.

Rarely has there been intelligent debate in Australia on foreign policy, particularly *vis-à-vis* China, a country about which many Australians are ill-informed. This timely paper is a serious contribution to an important and controversial debate. It will arouse widespread interest.

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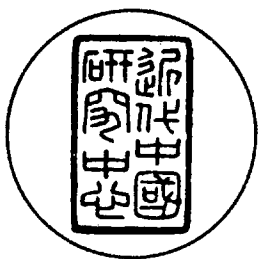
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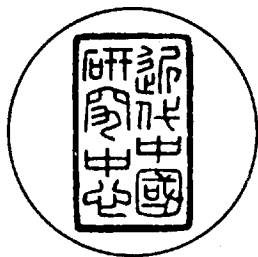


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The parade of governments recognising Peking which followed from the Canadian recognition in October 1971 has tended to take on the character of a collective manifestation of a new world trend which centres around the Nixon initiative, the United Nations vote in 1971, and the shifting balance between the world's most powerful states. It is true that the suddenness with which governments have been seeking out Chinese representatives in third countries does appear to be in hasty response to a new trend in 'world opinion', and that successive acts of recognition have themselves influenced other governments to modify their ostracism of the government in Peking, or resulted in what is known popularly as the 'bandwagon' effect. But beneath the general trend and the euphoria, or despair, surrounding it, there lie important and more specific questions which concern China's bilateral relationships and the attitudes and policies towards China of individual countries.*

First, there is the question of how China's new contacts with the now disintegrating international anti-China lobby are working out in practice; what impression are the Chinese making and what responses and initiatives are they meeting? To what extent is there interaction and real communication? This, after all, is what the opponents of the Dullesian policy of excommunication long argued should be one of the most important fruits

* This paper is an interpretation of events concerning Australia's relations with China, and is not in any way an official record of the China policy, or of the 1971 visit to China, of the Australian Labor Party. The facts may be verified, but the interpretation is my own.—S.F.

of direct contact with the Chinese Government. Secondly, there is the question of what China intends towards and expects of the world's less powerful states, particularly those in its more immediate vicinity, so much a central issue in debate on China's real and supposed role in world affairs in recent years. Thirdly, there is the impact on those states of the events of the past eighteen months. This is not simply a matter of policies towards China or the granting or withholding of recognition. It is a matter of the impact on their foreign policies as a whole, and even on their domestic politics; the China issue has had a visible effect on politics in Japan, for example, and it was even claimed as one factor justifying the suspension of parliamentary government in Thailand in November 1971.

Australia is one country on which this impact will be profound, and the Australian situation may serve as a case study, perhaps a lesson by negative example, of the effect of China on countries in the Asian and Pacific region which subscribed to the Dullesian view of China and framed their policies accordingly.

The immediate subject of this paper is a record of an episode in one country's relations with China, the visit to China in July 1971 of the Australian Labor Party (A.L.P.) delegation, which I accompanied as adviser. It offers one perspective on the first of the above questions. From an Australian point of view, it is also useful at this time to place on open record as much as possible of Australia's contacts with China and the thinking of political leaders, in order that the developing public debate on the place of China in Australian foreign policy may be at least informed. Of all the major issues on which the Liberal-Country Party Coalition Government has kept its own counsel in the past two decades, the question of China stands out as one on which the Coalition has most consistently claimed a superior knowledge but most persistently refused to justify in any depth the basis for its policies.

While the A.L.P. experience has a particular importance from an Australian point of view, as one of a series of new developments in China's foreign relations, it is also of interest to people whose concern is with China rather than Australia. Since it means little in isolation, I have prefaced the account with an outline of the Australian background, and in Parts III and IV I have discussed briefly the present direction of Chinese foreign policy and some of the repercussions on, and implications for Australia.

I

Australia's Chinese threat

In the comments on the A.L.P. visit by Labor's political opponents, there

was an underlying implication that the ultimate reason why the delegation's performance should stand condemned by 'loyal and honorable' Australians was because it was somehow negotiating with 'the enemy'. To agree publicly with the Chinese Prime Minister, even on the basis of well-publicised Labor policies, was a betrayal, almost an act of treason. Thus, Prime Minister McMahon accused Opposition Leader Whitlam of being 'a total advocate for the policy of a foreign power—the greatest Communist power in Asia',¹ an approach also taken by the leader of the right wing Democratic Labor Party, Senator Gair, who said that Whitlam had been 'pre-selected by a Chinese totalitarian Prime Minister' and had become 'Chou's black-mail ghost-writer'.²

The reason why the Prime Minister and others felt able to invoke images of national betrayal, believing that this would strike a responsive chord in the electorate despite the Government's own attempts to establish communication with Peking, lies partly in the fact that the A.L.P. visit took place against a background of twenty years of a foreign policy in which the China issue had played a central part. The unfortunate history of Australia's relations with China since 1949 has been recorded elsewhere,³ but there are certain points which might usefully be recalled, particularly as they concern the effect which changes in China's international position in 1971 have had on countries such as Australia.

There are some similarities between the China problem in Australia and in the United States and Japan, in that beyond the strictly foreign policy issues there have also been domestic ramifications. China was both a pivotal point of Australia's foreign policy and a live, and sometimes emotional, election issue revolving around purely domestic aspects of Australian politics.

The Liberal-Country Party Coalition did not at first subscribe to the more antagonistic views of China current in the United States at the beginning of the 1950s, and was in fact contemplating recognition in the first months after it came to power in December 1949. But as Australia's foreign policy interests shifted from Britain and the 'Empire' to Asia and the Pacific, and the securing of an alliance with the United States became a foremost objective of foreign policy, so also did the Government's view of China, publicly at least, undergo a change. The turning point was symbolised by Australia's vote for the United Nations resolution of February 1951 condemning China as the aggressor in Korea. Australia voted against its better judgment, and subsequently opposed attempts to widen the war, but it voted out of deference to the wishes of the United States, with whom the alliance had yet to be concluded. This objective was realised in the

ANZUS Pact, signed in September 1951, and underlined by Australian and American participation in SEATO three years later.

During the greater part of the 1950s, however, the Australian Government was still less enthusiastic than the United States in denouncing the behaviour of the Chinese Communist Party as internally evil and externally aggressive, and Foreign Minister Casey held strongly to the view, which he expressed to the United States, that China should be recognised. It is an instructive illustration of the influence of the United States on Australia that Casey did not translate his belief into policy. In terms of policy, Australia accepted the idea of the 'Chinese threat', and this, together with the exigencies of the U.S. alliance, exercised an increasingly dominant influence on Australia's policies towards other Asian countries, and led Australia to endorse the policy of isolation and containment of China, support for Chiang Kai-shek, and exclusion of China from the United Nations.

The 'Chinese threat' and the U.S. alliance were mutually reinforcing; the closer the Government came to the United States the more infected it was by the U.S. view of China, and the more it believed in the threat the more closely it sought to align with the United States. By the early 1960s, Australia had become one of the more ardent and vocal advocates of the 'hard line' on China. This was the result partly of the retirement of Casey, and an increasingly conservative trend of thinking in the Government, which believed it found justification for its views of China in the Offshore Islands crisis of 1958, the U.S. and Indian versions of the uprising in Tibet and India's China war, and Indonesia's Confrontation of Malaysia. The Australian Government was also one of the last to realise the implications of the rupture in Sino-Soviet relations.

China was now presented to the electorate in terms which echoed the Cold War rhetoric of the 1950s. Having opposed the inscription of Chinese representation on the agenda of the U.N. General Assembly throughout the 1950s, in 1961 Australia began to take a more leading role in keeping China out, co-sponsoring the 'Important Question' resolution and lobbying vigorously for its support. Australian troops were committed to Vietnam on the grounds that the war was an act of Chinese expansionism which had to be stopped at all costs.⁴ In 1966, after the retirement of Prime Minister Menzies, the Government established an embassy in Taiwan, a move justified as reciprocating the long-established Kuomintang mission in Canberra, but which Menzies himself had resisted and which even conservative politicians and newspapers found somewhat inexplicable. Although Australians escaped the worst horrors of McCarthyite witch-hunting, the

question of where one stood on China, and on Vietnam, became at times, in polemical contexts, a touchstone of loyalty. With the first stirrings of change in the United States in 1966, it became apparent that the China issue in Australia had acquired an emotional reality of its own.

The Government's case against China contained little serious analysis of the problem. It would be possible to make a more sophisticated case than it ever attempted, but its reluctance to debate its China policy suggests that it had only the most superficial knowledge of China, which it presented in simple polemical terms. What appears to have happened was partly a process of self-indoctrination, buttressed at the end of the 1960s by the Government's desire to convince the United States there was genuine cause for it not to withdraw from Asia or abandon its allies, including Australia.

Just as the idea of the 'Chinese threat' was strengthened by the Government's approach to the U.S. alliance, so also was it reinforced by a more cynical manoeuvre in domestic politics, known in Australian parlance as 'kicking the communist can'. The Liberal-Country Party Coalition found it electorally useful in the atmosphere of Cold War attitudes towards communism to suggest that there was a strong communist influence on the Labor Party. While this was an unreal proposition and a straight electoral ploy, the Government's charge was not without effect because of its appeal to anti-communist sentiment, and partly because in Australia trade unions are affiliated with the Labor Party and certain trade unions have had a communist-dominated leadership. Communist-led strikes in the late 1940s were used against the Labor Party in the election campaign of 1949, and although it was unreal to suggest that Labor was in any way a communist front or otherwise dominated or controlled by communists, charges of a communist hold on the Party were still being made in 1971. In addition to the union question, the Government also sought to persuade the electorate that socialist policies in the Labor platform, and Labor's attitudes towards communist countries, were evidence of communist influence and a warning that Labor in office would not be its own master.

China has not always been a major factor in electoral tactics, but it has been invoked increasingly since the early 1960s and particularly after the commitment of Australian troops to Vietnam. In the election campaign of 1966, the electorate was treated to awesome pictures of red arrows leaping out of south China towards Australia. It might be argued that this kind of publicity was in justification of the Government's policies rather than an attack on Labor, but Government members contrived to blur the distinction and some went out of their way to make the alleged connection with Labor

quite specific. Among the general public, this appeal to Australian prejudices and fears helped to foster the impression of China as 'the enemy'. And although it is generally held that foreign policy has not been a decisive factor in Australian elections, because of the purely domestic issue the Government was able to play the China question to some effect; and by hinting at conspiratorial connections between communism abroad and at home it sought to turn the China question against the Labor Party.

The Government's use of China as a cynical ploy in the service of party political interests is best expressed in a recent frank admission by Prime Minister McMahon, the first occasion on which a member of the Government has confessed that its approach to China has been anything other than in the national interest. The day after the A.L.P. delegation left China and the day before the announcement that Dr Henry Kissinger had been in Peking to arrange for a visit by President Nixon, McMahon told a meeting of the Tasmanian State Council of the Liberal Party that China had been a 'political asset' to the Liberal Party in the past and was likely to remain one in the future.⁵ Three days earlier, the same Mr McMahon had accused the Labor Party of going to China to play politics with wheat.⁶

There is a certain irony in the Government's efforts to use China against the Labor Party, in that Labor was by no means always as vociferous in its opposition to the Government's China policy as it became in the mid-1960s. In the period between the proclamation of the People's Republic of China in October 1949 and Labor's defeat at the election in December, the Labor Government had been preparing to recognise the new Chinese Government, but had held back because of the communist issue in the election and because of the uncertainty of the positions of Britain and the United States. But subsequently, under the influence of the Cold War and the right wing of the Party, Labor policy seemed for a time to move in the direction of Washington's China policy, and there were times when Labor politicians vied with their opponents in criticising the Chinese Government. This trend was neither officially endorsed nor unanimously supported, and in 1955, after the right wing had broken away to form what was to become the Democratic Labor Party, recognition of China was inscribed in the official Labor platform. Despite the official policy, Labor still did not push the case very hard. A Labor delegation went to China in 1957, but the Party was still sensitive to the anti-communist electoral tactics of its opponents, which received a considerable boost from the vehemently anti-communist Democratic Labor Party. There were also elements within the Party who believed in the Cold War images of China, and as late as 1965 prominent Labor politicians expressed agreement

with the United States and Australian rationalisations for their intervention in Vietnam.

Vietnam, and the accession to the leadership of the Labor Party of Gough Whitlam, who had first called for recognition of China in 1954, before this was Labor policy, brought increased attention to the question of China and more sustained and frequent criticism of government policy. By 1971, therefore, when the A.L.P. decided to send a delegation to China, it did so on the basis of the 1955 decision and against a recent background of half a decade of strong vocal opposition to the Government's policy, under a parliamentary leader who had long been publicly committed to solving the problem of Australia's relations with China.

There are, of course, more subtleties to Australia's China problem than are presented above, but this is the essential long-term background against which the A.L.P. visit took place: a foreign policy, fundamental to which was an assumption that China was aggressive, a menace to world peace, and a threat to the security of 'Asia' and thus ultimately to Australia, and a domestic situation in which opinion on China was increasingly divided, in which political debate about China's international role was both heated and obfuscated by diversionary arguments about the influence of communism on the non-conservative political forces in Australia.

It was not surprising, then, that the Australian Government, imbued with the idea of the 'Chinese threat' and believing as McMahon said that China was a political asset, sought to persuade the Australian people that the A.L.P. should be condemned as dishonorable for its dealings with 'the enemy'. It was in this spirit that McMahon, commenting on a telegram Whitlam had sent him from Peking concerning the Paris peace talks, denounced Whitlam as 'a spokesman for those against whom we are fighting' in Vietnam.⁷ And it was in the same spirit that former Minister for Defence, Malcolm Fraser, asserted that Whitlam had concluded a secret pact with China.⁸

II

The A.L.P. Visit

The immediate context of the A.L.P. visit was the gradual onset of a crisis in Australia's foreign policy, signalled by the new developments in China's relations with the world at large and President Nixon's dismantling of his predecessors' China policy in preparation for the major initiative of 1971.

Canadian recognition was infinitely more significant than it was perceived to be in Australia at the time. By establishing a position on the question of Taiwan acceptable to both Peking and Ottawa, it encouraged others to

follow suit, and recognition by seven other governments had been announced by the end of March 1971.⁹ More significant in terms of Australia's Asian policies were changes in the attitudes of Asian countries. The restoration of good relations between China and Burma did not excite much interest in Australia. But by mid-1971, the Malaysian Government was moving seriously, if slowly, towards recognition, Thailand had initiated tentative contacts with China, pressures for recognition were mounting in Japan, and India was looking hopefully for signs that China might respond to signals for an improvement in relations. Indonesia was more reticent, but there had been cautious statements from Djakarta suggesting an intention to restore relations with Peking, and even the Philippines was openly contemplating the possibility of reversing its policy towards China.

The U.N. vote in 1970, in which the substantive resolution calling for the admission of China gained a simple majority for the first time, indicated that the line against China was unlikely to hold for very much longer. At the same time, China was signalling that it was prepared to respond to overtures from almost any ruling government, both in private conversations and by public acts at an unofficial level, such as the table tennis invitations, designed in part to prompt non-recognising governments into establishing contact at an official level. The implication of these events for Australia was that the idea of the 'Chinese threat', and the Australian strategy for meeting the threat, were under serious challenge, and that an Asian policy based on this idea and this strategy might soon become unacceptable to a majority of Asian governments, and therefore unworkable.

Most critical for the Australian Government, however, were the moves by the United States. The overt initiatives which began in July 1969 were not in themselves so important, since they involved only the relaxation of restrictions on trade and travel, which the Australian Government itself had never imposed. In so far as it was referring only to these relaxations, the Government was quite correct in claiming that the Nixon moves had brought U.S. policy into line with Australian policy. But this claim was also a political subterfuge, in that it attempted to include the whole of U.S. China policy, whereas in fact, in more substantial matters, the U.S. was already moving ahead of Australia. Even before the announcement of President Nixon's impending visit, the U.S. was known to have embarked on more private contacts with China, neither the substance nor the ultimate intention of which was revealed to foreign governments.

Public reaction to these developments was slow, and it is not even certain that the Government was fully alert to their import, or, if it was, that it

considered them sufficient cause for anticipating events by recasting its own policies. Heading a parliamentary delegation to Canada when Canada was negotiating with China, the Minister for the Interior, Peter Nixon, warned the Canadians not to be 'too idealistic' and advised them to insist on Peking recognising Taiwan under the KMT as an independent nation.¹⁰ When Italian recognition was announced in November 1970, McMahon described it as 'unfortunate'.¹¹ A review of China policy by the Department of Foreign Affairs was ordered by McMahon in 1970. To the extent that this review posed alternative policies which might lead towards normalisation of relations with China, it was apparently unacceptable. The Government took no action, and it was also keeping very quiet about one issue, which suddenly burst into the headlines early in 1971, bringing the question of China's foreign relations much closer to home.

Australia had been selling wheat to China since 1960, a trade which was earning over \$100 million annually. A contract had been signed in December 1969 for delivery up to October 1970, but when the Wheat Board sought to negotiate a new contract in 1970, it had returned empty-handed, and had not subsequently been able to secure a contract. When this information was disclosed, public discussion widened to the whole question of Australia's relations with China; it was not really until this point that the import of developments in China's foreign relations became a live public issue in Australia.

The Government's first reaction was to assert that its China policy had nothing to do with China's failure to buy Australian wheat, suggesting that this policy was still basically sound and that both China and Australia maintained the position of the separation of trade and politics. This latter proposition was questioned at the time, and it was the starting point for the public controversy which followed. Questioned on whether the wheat problem might lead the Government to recognise China, Doug Anthony, then Minister for Primary Industry, replied: 'I wouldn't recognise Red China just to sell wheat, I wouldn't sell my foreign policies or my philosophies just to try to do a trade deal', and 'I wouldn't sell my soul just to benefit trade'.¹² In April it was disclosed that Chinese officials had objected to these statements and had communicated their objection through a British diplomatic source in Peking.¹³ The wheat issue is discussed further below, but it should be pointed out that the critics were quite wrong in suggesting that the Anthony statement was itself responsible for the loss of wheat sales. The Chinese message, on the other hand, was clearly intended to inform the Government that China had taken note of previous statements of this kind, that it was not prepared to disregard

politics in trade with Australia, and that this had influenced its decision not to buy wheat.

The Government might have succeeded in riding out the wheat issue had it not been for three subsequent developments: the A.L.P. decision to visit China, President Nixon's announcement, and the U.N. vote in October 1971. Until the first of these events, it had given no public indication of possible changes in policy.

In April 1971 the Federal Executive of the A.L.P. met in Adelaide, when public discussion about wheat sales was still running high, and also amid renewed international attention to China's foreign relations and diplomatic objectives which followed from the invitations to the table tennis teams. The Party's Federal Secretary, Mick Young, who had spent three months in China in 1957 and who had long been urging the importance of China to Australia and the pressing need for normalisation of relations, proposed that a delegation should be sent to China. The Executive agreed to the proposal and on 14 April Whitlam cabled the Chinese Prime Minister, Chou En-lai, asking if China would receive a delegation from the A.L.P.

Although the Executive's decision was unanimous, there was some subsequent public dispute about the objectives of the mission by non-Executive members, partly because the current issue, wheat sales, had tended initially to overshadow the wider implications of the prospect of official discussions between China and representatives of the Australian Opposition. In other circumstances, the initiative might have foundered on objections from those who believed that China was not a first-ranking priority and was too sensitive an issue for the A.L.P. to risk a venture from which the Party might suffer electorally. But the loss of the wheat contracts was regarded as a question of national concern both by the press and by sections of the community other than the rural electorate; it was an issue which no national party with pretensions to political power could ignore. In terms of the national interest, there was an opportunity to explore, if not necessarily to correct, what had gone wrong with the wheat sales, with the political risks to a large extent neutralised. The issue could also be turned back against the Liberal and Country parties by focusing on the inconsistency of their approach to China, on the two strands of policy, trade and politics, which they had tried to keep widely apart in the minds of the public but which had been brought sharply together by a decision of the Chinese Government. Accordingly, before the Executive voted on the proposal, Whitlam contacted the Party's spokesman on rural affairs, Dr Rex Patterson, who agreed to go to China if an invitation was forthcoming. Patterson was the only person named at the time.

The decision emerged publicly, therefore, as a response to the wheat problem, and to some members of the Labor Party this was all it had been intended to be. But even for those who contemplated wider possibilities for the visit, it was still a useful protective manoeuvre in the domestic political context. Party spokesmen did not at this stage strenuously reject the idea that the initiative was concerned primarily with wheat, and it was not until the invitation arrived from China that Whitlam himself decided to go.

From the outset, however, Whitlam, Young, and certain other members of the Party had been considering the possibility of a much wider initiative. Apart from the fact that recognition of China was established A.L.P. policy, they had been following closely the new developments in China's foreign relations, and were concerned about the import of these developments for Australia, particularly in relation to the China policy of the Australian Government. As early as 1967 Whitlam himself had drawn attention to the first signs of a more flexible U.S. approach to China, and to the apparent differences between Canberra and Washington reflected in U.S. support for the 1966 U.N. study committee proposal, which Australia opposed. By early 1971 he was convinced that Australia, having passed up the opportunity created by Canadian recognition, was at an increasingly serious diplomatic disadvantage, not only in direct relations with China but also in relation to Australia's friends, allies and spheres of interest; he was concerned that Australia was becoming isolated on the China question and that it stood in danger of being left behind even by the United States.

Whitlam's telegram to Chou En-lai, therefore, made no mention of wheat, nor did it name Dr Patterson. It stated only that the A.L.P. was anxious to send a delegation 'to discuss the terms on which your country is interested in having diplomatic and trade relations with Australia'.

For the Executive to have announced its decision in April, without any assurance that China would agree, was thought by some observers, and members of the Labor Party, to have been unwise. The next move was entirely at the discretion of the Chinese Government, which has consistently refused to be pushed on such matters, to allow others to set the pace, or the priorities, of its new contacts with non-recognising countries. In the event, the Chinese Government took only four weeks to reply to the A.L.P., which by comparison with the response to similar requests from other countries was quite prompt. But the Labor Party, having made a headline-catching announcement, was worried that a prolonged failure to respond would cause it to lose the initiative it had gained or, worse, that a totally negative response would damage its electoral credibility. The Australian

Government was hoping that the request would be refused, and towards the end of the four weeks members of the Government were confidently asserting that the whole affair had been a dismal miscalculation. Labor Party circles also discussed the possibility that if the Chinese Government were to solicit an opinion from the Chairman of the Communist Party of Australia (Marxist-Leninist), E. F. Hill, it would receive strong objections to a visit by the A.L.P. The emerging trend of Chinese diplomacy made this unlikely on the part of Peking, and to the extent that Chairman Hill wished to keep in line with China's diplomatic aims he could only have endorsed the proposal. But the fact that there was no immediate reply from China, and the Government's jibes, were cause enough for a little anxiety on the part of those responsible for arranging the visit.

As the days passed, Whitlam's staff began to contact people who were known to have lines into the Chinese Government, with the intention of pressing the seriousness of the Party's purpose. Dr Patterson also communicated with official Chinese trade representatives. Most of those contacted by Whitlam's staff felt that political changes in Peking during the Cultural Revolution made it uncertain whether their representations would be effective. The exception was an Australian academic at Harvard University, Dr Ross Terrill, who passed messages through Hong Kong and through a Chinese in Canada who maintains close liaison with the Chinese Government. He also wrote to the French Ambassador in Peking, M. Etienne Manac'h, who raised the matter with Chou En-lai, and received a positive response. A cabled invitation to the A.L.P. to send a delegation 'for discussions on questions concerning the relations between our two countries' arrived on 11 May. It was never made clear to the delegation in China whether the visit would have been arranged without these extra representations. The general pattern of China's diplomacy suggests that there was a reasonable chance that it would, although from enquiries the delegation received from Chinese officials about requests from other countries it does seem that the Chinese Government may have been initially undecided about the A.L.P. and that these representations served both to decide its response and to hasten its invitation.

In retrospect, the four weeks' delay worked to Labor's advantage. The idea of Labor sending a delegation to China had more time to become acceptable, taking the edge off short-term criticism by the Government, and, when the invitation did arrive on the heels of Government predictions that it would not, making it seem that it was the Government rather than the A.L.P. which had miscalculated. Further developments in the period served to increase public acceptance of the idea. Despite Government

assurance that wheat purchases would be resumed, there was still no sign that China was interested. The reasons were only partly economic. China had had exceptionally good harvests and, for the first time, had accumulated a small but significant grain reserve. But late in 1970, when Australia had failed to win a new contract, a contract had been signed by Canada, worth \$154 million. An improved grain situation at home had provided China with the luxury of choosing its wheat trading partner.

Two revelations by Dr Patterson served further to embarrass the Government on this point. One was that in 1967 the Australian Security Intelligence Organisation had attempted to have members of the Wheat Board place microphones in the Bank of China in Hong Kong. The other was that, in 1967 also, the Government had instructed the Wheat Board to inform the Chinese that Australia might suspend wheat sales if China did not call off the riots in Hong Kong.¹⁴ This was an interesting reflection on the Government's protestations about separating trade from politics; it was also rather curious, given that the British authorities in Hong Kong maintained that the riots were locally generated and not controlled from Peking.

Internationally, the thaw in relations with China had been gathering momentum. In April, the U.S. Government announced further relaxations of the trade embargo, the most significant up to that point. Two more governments announced recognition of Peking, and both Malaysia and the Philippines were sending trade delegations to China. The worldwide publicity which surrounded the visit to China of the American table tennis team was followed by a wide coverage of the tour by the Australian team, which was accompanied by three journalists representing leading Australian daily newspapers. Australians could not remain in ignorance of what was happening, and there was a growing feeling that something had to be done about relations with China.

Perhaps most significant in the Australian context was that the initiative itself produced two immediate results in terms of the A.L.P. objectives: it stimulated public debate on China, and it forced the Government first to expose its China policies to public scrutiny and then to attempt the first steps towards an official relationship with the Chinese Government. Clearly concerned about public doubts about its China policy, the Government could no longer postpone a major statement on the subject of China. It was made on 15 April, the day after the A.L.P. telegram to Chou En-lai, in an address by Prime Minister McMahon to the National Press Club.¹⁵ The essence of this statement was, in fact, a defence of the correctness of existing policy and a reassertion of the sureness of the Government's

vision; the Government was best qualified to handle the China issue in the national interest, and the first priority was still the preservation of the independence and security of Chiang Kai-shek's rule in Taiwan. Using the term People's Republic of China for the first time, McMahon subsequently lost some of his intended impact by using a confused variety of terms to refer to both sides of the China dispute. He declared that the Government believed it was necessary to seek accommodation with 'Continental China', which was no more than the Government had said for many years, and was virtually meaningless when set against the qualification of Sir Paul Hasluck, who, when Minister for External Affairs, had said that this could not be worked out 'even most optimistically in less than 25 years'.¹⁶ But McMahon's speech can be interpreted as containing the first seeds of what was later to become a species of 'Two-Chinas' policy.

Following the receipt of the Chinese invitation to the A.L.P., the Government sought to regain the initiative later on the same day, with a press release by McMahon announcing that his government would 'now explore the possibilities of establishing a dialogue with the People's Republic'.¹⁷ The terms of the dialogue were not elaborated apart from the general position that 'whatever we do will be without prejudice to the rights of the Republic of China in Taiwan'. But the Government's aim is known to have been to attempt to 'normalise' relations through trade, sporting and cultural relations, leaving aside other more important issues, a position unacceptable to the Chinese Government and probably made more unacceptable by statements such as 'it [the People's Republic of China] is in de facto control of Continental China'.¹⁸ But even from the release itself, observers of China did not rate very highly the chances of success of the dialogue. If it were not enough to declare support for Taiwan, ruling out any possibility of substantive progress, McMahon seemed almost to be undermining in advance what little negotiating position he appeared to have and to be inviting a cool reception from China by his declaration that

We must bear in mind that a major obstacle to the development of formal relations with the People's Republic of China has been that Government's support for insurgency and subversion in countries of the region with which we as an Australian Government have close relations and mutual strategic interests.

That the Government held this view was well known. To have repeated it in this announcement seems inexplicable except in terms of McMahon's apparent belief, which he later asserted publicly, that China does not pay much attention to statements made by 'other people'.

The fortunate timing of the A.L.P. Federal Executive's decision was

not entirely a matter of coincidence. It may have been luck that Henry Kissinger arrived in Peking after the A.L.P. delegation, or, indeed, that he went to Peking at all in 1971. But the A.L.P. move was grounded on a policy which had been debated and endorsed by the Party, and a concern about the implications of new trends in the China policies of a number of Asian countries and of the United States. Had this not been the case, the A.L.P. would not have been in China in July 1971 and would not, therefore, have been in a position to derive any benefit from appearing to have anticipated events.

The delegation as originally announced on 13 May and finally confirmed after some jockeying for positions consisted of Whitlam as leader, Patterson, the Party's Federal President Tom Burns, and Mick Young, together with Whitlam's Press Secretary, Graham Freudenberg, as secretary, and myself as adviser and interpreter. The main problem had been to keep the delegation to manageable size, since it was representing an opposition party and, as Whitlam pointed out on several occasions, it was not in a position to negotiate or reach formal agreements. There was a limit to what could be discussed in depth or detail. Patterson had been in from the start, and this made sense in terms of Sino-Australian trade relations. But it was obvious, from the viewpoints of both China and Australia, that Whitlam should go, as leader of the Opposition and Party spokesman on foreign affairs. As an organisation initiative, as distinct from a parliamentary one, it was logical to include representation from the organisation's Federal Executive, of which Whitlam is a member but in his capacity as Federal parliamentary leader.

The composition of the delegation signified a much broader purpose for the delegation than had been suggested at the time of the Executive's decision in April, although the impression still lingered in some quarters that the delegation was not only concerned solely with wheat, but that it was actually hoping to bring back a new wheat contract. Whitlam was at pains to correct this impression, pointing out that wheat was only one subject the delegation wished to discuss, but that wheat contracts were a matter for the Wheat Board and there could be no question of the A.L.P. delegation returning with contracts of any kind. To emphasise the point in his press conference before his departure from Sydney, Whitlam characterised the purpose of the mission in terms of one general objective, to see how far the people of China and the people of Australia were able to talk to each other and to understand each other.

The delegation spent twelve days in China, from 2 to 14 July; apart from a visit to Shanghai and two days in Canton, on arrival and departure,

the greater part of this time was spent in Peking. Almost seventy journalists had applied to the Chinese Government to cover the visit, and of these ten were given visas.¹⁹ After Whitlam's departure, Mick Young, myself, and two of the journalists stayed in China for a further five days, together with Dr Terrill, who was visiting China at the same time as the A.L.P. delegation and accompanied it as a correspondent for several American publications.

Discussions in Peking

CHINA, AUSTRALIA, AND THE INTERNATIONAL SITUATION

The invitation to the A.L.P. came not from Chou En-lai but from the Chinese People's Institute of Foreign Affairs, the first appearance of this organisation since the Cultural Revolution. Before the Cultural Revolution, its function had been to handle certain types of contact with non-recognising countries, but its present function seems a little broader, since it has also been dealing with official visitors from parliamentary opposition parties from recognising countries. It appears to be an organisational means by which the Chinese Government distinguishes between two types of diplomatic intercourse: between government-to-government contact with countries with which China has formal diplomatic relations, and other contacts which have official status which require attention by senior officials and members of the Chinese Government but which are not diplomatic in the sense of communication between ruling governments. In practical terms, the distinction appears to mean that visitors in the former category may have a somewhat wider access to Chinese officials, but only according to the nature of the relations between the two governments or the specific negotiating purpose of the mission.

In terms of the A.L.P.'s experience in China, there was no substantial difference between a visit under the auspices of the Institute and one sponsored by, say, the Foreign Minister or the Prime Minister. The officials who arranged the visit and accompanied the delegation throughout were diplomatic and other personnel from the Foreign Ministry, doubling as members of the Institute in most cases. The exception was the host to the delegation, Chang Hsi-jo, an octogenarian scholar and former Minister for Education, who as President of the Institute holds ministerial rank. The delegation was entertained on arrival in Canton by an alternate member of the Central Committee of the Chinese Communist Party. In Peking, it had lengthy discussions with Premier Chou En-lai, Trade Minister Pai Hsiang-kuo, and Acting Foreign Minister Chi Peng-fei, who subsequently was confirmed as Foreign Minister after the death in January 1972 of the

ailing Foreign Minister Ch'en Yi. Follow-up discussions were held with senior officials of the Foreign Ministry, and Dr Patterson met separately with officials of the ministries of Foreign Trade and Agriculture. In other words, the Chinese went out of their way to provide everything that was essential to the success of the visit, in the A.L.P.'s terms as much as their own, and at a level appropriate to the establishment of a working relationship with the alternative Australian Government and Prime Minister.

What reasons, then, did China have for inviting a delegation from the Australian Opposition? At no time did Chinese representatives specify their objectives, apart from in general terms of improving relations between China and Australia. This was part of China's overall diplomatic stance, in which the establishment of relations with small and middle powers is essential to the operation of its current foreign policy, which is discussed more fully below. In the case of non-recognising countries, China's interest extends across a whole range of groups and contacts, including parliamentary opposition parties. There has been, therefore, renewed attention to social democratic parties, such as the Japanese Komeito which sent a delegation to China shortly before the A.L.P., as against political parties which might seem to have an ideological affinity with Peking but which are not necessarily in a position to influence immediately the official policies of their countries towards China.

To the extent that Australia matters to China, the Chinese were well aware of the Australian Government's position, indicated in their discussions with the A.L.P. delegation by reference to Government statements on China. Even before the Government's dialogue began in June, China had probably estimated that there was little hope of progress, particularly given McMahon's strong reaffirmation of support for Chiang Kai-shek in April and the content of his press release announcing the decision to seek a dialogue. China was prepared, nevertheless, to meet with Australian officials in case there had been advances in the Government's thinking not reflected in public statements, and in order to state the Chinese case directly. At the same time, the Chinese appear to have calculated that the A.L.P. stood a reasonable chance of success at the 1972 federal election, and it was obviously partly with this in mind that they explored with the delegation questions relating to the A.L.P.'s platform and the major political issues in Australia. Failing an A.L.P. victory, there was still the fact that the A.L.P., as the largest party in Australia and the Opposition in the federal parliament, was in a position to influence public opinion on the question of relations with China, and, consequently, perhaps also the thinking of the Liberal and Country parties. In either event, China apparently considered that an

exchange of views would be useful to both sides in establishing areas of agreement and disagreement.

At no time did the Chinese suggest that Australia itself was of major importance in their foreign policy. It is the general pattern which is of importance, and as the number of recognising countries increases, the absence of relations with individual small and middle powers such as Australia becomes less important. In mid-1971, however, there were still some matters on which China had a particular interest in Australia, quite apart from the A.L.P., and in the course of the delegation's discussions it was possible to identify some of these general areas of interest, most of which concerned the foreign policies of Australia. These included the Australian Government's position on recognition and support for Chiang Kai-shek, Australia's alliances, and its relationship with Japan. The last of these is discussed separately in the context of the interview with Chou En-lai.

Recognition. While China does not sue for recognition, this is one obvious general point of interest in Australia. Australia having been one of the least flexible of foreign governments in its attitude towards Peking, it is possible that recognition by Australia might have a similar effect on some of the other 'die-hards' as Canadian recognition had on those governments less wedded to the anti-China policy. In 1971, the flow-on from Canadian recognition had still not resulted in any addition to the number of Asian governments recognising China, an important objective of current Chinese policy; and so long as there is a substantial number of governments withholding recognition, this may well be one of the few reasons the Chinese Government has for continuing to interest itself in Australian Government overtures. This is not to say that in their discussions with the A.L.P. the Chinese at any time implied that their interest stemmed from an assessment that Australia has a special influence in Asia, or, for that matter, in Washington; they did not. Rather, it means that Australia is one of the points on the last line of resistance, and it is worth encouraging recognition, on China's terms, from any of these points; Malaysia could be equally, if not more, significant.

There is also a more negative interest. Australia's refusal to recognise has not been passive. By lobbying to hold the line against recognition of Peking and its admission to the United Nations, the Australian Government placed itself in the position of obstructing important, and purely diplomatic, objectives of Chinese foreign policy in 1971, which had nothing to do with war or revolution but which are critical to the successful operation of China's new diplomacy. If Australia is among the last handful of countries

to decide to recognise, China will see little reason to respond with alacrity or to accommodate to an Australian bargaining position as it did with Canada over the Taiwan formula. And Australians will, in any event, have to face the fact that, for China, relations with the United States are of greater importance than relations with Australia, and that what China is prepared to concede to the U.S., which means effective normalisation of relations without, in the short term, *de jure* recognition, is unlikely to be granted to Australia.

The question of recognition was raised on the first morning in Peking, in the discussions with Chi Peng-fei. The position which the delegation put to him was that the A.L.P. would propose to recognise the Chinese Government on terms which were in essence identical to those on which Canada had recognised; that while taking note of the Chinese Government's claim to sovereignty over Taiwan, the A.L.P. regarded this as an internal matter and a claim which Australia could neither challenge nor endorse, since it was not for Australia to impose solutions to the internal affairs of other countries. But the additional problem for Australia is that, unlike Canada, it has an embassy in Taiwan. The Chinese were well aware of this fact, and while Chi accepted the A.L.P.'s general position, he did not at first give an unequivocal assurance that China saw no further obstacles to recognition on the terms proposed. In the afternoon session with Foreign Ministry officials led by Chou Ch'iu-yeh, the Chinese side returned to this point and questioned Whitlam specifically on the embassy in Taiwan and the A.L.P.'s attitude to the expulsion of Chiang Kai-shek from the United Nations. Whitlam repeated that the A.L.P. had a one-China policy, that it would not support 'two-Chinas' in the U.N. or elsewhere, and added that the logic of this position further dictated that an A.L.P. government would support an Albanian-type resolution in the U.N. and withdraw the embassy from Taiwan. Chinese agreement was endorsed the following day by the Minister of Foreign Trade, who told the delegation: 'We approve of the A.L.P. policy towards China'. And when Chou En-lai referred to the A.L.P. visit as a turning point in Sino-Australian relations and said he would welcome a visit by a Labor Prime Minister, he did so on the basis of the policy the A.L.P. had put forward and on the understanding that an A.L.P. government would recognise in the same terms as the Canadian formula.

It was apparently in reference to this formula and the withdrawal of the embassy that it was claimed in Australia that Whitlam 'gave away in advance every bargaining counter that Australia has in future negotiations with China', an allegation of surprising naivety. The Chinese Government's

position is well known; on the question of Taiwan there can be no bargaining. The Canadians had extracted the maximum concession on this point, and the A.L.P. had secured equivalent terms for Australia. In the opinion of all close observers of China, the Chinese position is likely to harden rather than relax. Protestations about the embassy were unreal. Its withdrawal would, of course, involve Australia in a more positive act than the Canadians had had to make. But given a policy of recognition of Peking and non-interference in China's internal affairs by any attempt to create a 'two-Chinas' situation, the embassy accredited to the Chinese Nationalists as the government of the whole of China would have to be withdrawn, even in the event that reservations were held about the present or future status of the island. Contrary to the assertion of the then Foreign Minister, Leslie Bury, that China demands that countries establishing diplomatic relations should stop trading with Taiwan. ('This is one price we are not prepared to pay'),²⁰ the formula does not preclude trade relations with Taiwan or visits by Australians, as the Canadian experience has demonstrated. Nor, in the highly unlikely event that the Chinese parties involved in the civil war and the dispute over Taiwan were to agree to a separate status for Taiwan, does it preclude a relationship with a separate Taiwan. But the solution lies with the parties themselves and not with Australia.

Government Ministers in Australia also charged that Whitlam had deliberately tied the establishment of relations to an A.L.P. Government. This extraordinary allegation arose not from the exchange with Chi but from an attempt to read conspiratorial meaning into remarks made by Chou En-lai. Whitlam had said to Chou that had the A.L.P. not been out of office, Australian troops would not have been in Vietnam, to which Chou replied: 'What is past is past and we look forward to when you can take office and put into effect your promises'. Whitlam said that if the A.L.P. were to win the next elections there would be the first visit by an Australian Prime Minister to the People's Republic of China, and Chou replied: 'You are welcome. All things develop from small beginnings. After these twenty years or more of struggle we believe you will shortly be able to rise up again'. The promises to which Chou referred related to A.L.P. policy on Vietnam, and even if Chou was thinking also of recognition, this in no way represented an exclusive commitment to the A.L.P. Nor did the fact that he extended a welcome to a visit by an Australian Prime Minister. To those who were present at the interview it was clearly apparent that an A.L.P. victory would not be an event of earth-shattering significance to China. If there was anything to be read into Chou's remarks it was not an endorsement of the A.L.P., but an indication, the clearest the delegation

had received, that China was not at that stage anticipating substantial progress towards normalisation of relations with the Liberal-Country Party Government.

The point is that the Chinese Government would not be so foolish as to tie its own hands to one possible eventuality, and at no stage in the private discussions did the Chinese say that they would, nor did the delegation demand it. In the meeting with Chi Peng-fei, moreover, Chi stressed that China was more than prepared to normalise relations with the Liberal-Country Party Government. He said that 'relations can be established when the question of Taiwan is solved', and when asked whether China believed this could be achieved with the ruling parties in Australia, he replied, 'that depends on the attitude of the present Australian Government'. But as far as China was concerned, 'China's policy is clear, the door is open'. Whitlam, in turn, said that if normalisation could be achieved under the present government, the A.L.P. would applaud and support it. Without any knowledge of this exchange and without foundation in any of the published reports of the visit, Whitlam's critics later accused him of sabotaging the Government's dialogue with China, which, apart from being unfounded was also an absurd proposition, because it ignored China's own stand on the question of Taiwan and implied that Australia could extract from the Chinese Government conditions for recognition which it had accorded to no other country. Chi Peng-fei had stated quite explicitly that

the present state of relations between our two countries is due to the parties in power in Australia, not China . . . The Australian Government has opposed the seating of China in the United Nations, they support Chiang Kai-shek . . .

Speaking in the House of Representatives on 17 August, McMahon alleged that Whitlam 'compromised the first moves we were making through diplomatic channels to open up a dialogue with China'.²¹ But on 27 May McMahon had said that he did not believe that the A.L.P. visit would harm the Government's initiatives and that 'they may, perhaps, be able to do some good'.²² And on 4 July, referring to the only two meetings that had taken place between Chinese and Australian diplomats in Paris, before the A.L.P. had even left for China, McMahon had said that 'we have not been able to get any common sense out of them [the Chinese]'.²³ And on 28 July, two weeks after Whitlam had left China, McMahon claimed that there had been 'progress' in the dialogue and that the Chinese Government was 'positively interested in establishing diplomatic relations with the Australian Government'.²⁴ There was, at the very least, a certain

inconsistency in this series of statements, and despite McMahon's claim in the House on 17 August, the dialogue did in fact continue, although it continued to founder on the question of Taiwan.

Regional alliances. A second point of Chinese interest is Australia's military and defence agreements: ANZUS, SEATO, and the recent Five Power arrangement covering Malaysia and Singapore. Given the political context in which the first of these two alliances was created, it is not unreasonable for the Chinese Government to regard them as being at least in part directed against China and potentially offensive rather than defensive. The despatch of Australian troops to Korea, Malaya and Vietnam, and Australian participation in the Five Power agreement, might seem to suggest a tendency on the part of Australia to approach relations with Asia primarily in military terms. Australia may not be the pivot of such arrangements, but it does have a close relationship with the United States, and the Chinese are aware of the secret U.S. bases in Australia and the public debate as to their purpose. From a Chinese point of view, therefore, Australia is very much linked with the old containment policy and appears as a strategic outpost of the U.S. in the event that the U.S. should launch offensive action against China.

Australia's defence agreements were also discussed in the first meeting with Chi Peng-fei, and were the subject of one of the most interesting confrontations of the visit. After an opening exchange on Vietnam, Whitlam put the view that Australia's formal alliances were regarded as defensive. Chi objected that 'you are not carrying out defence treaties by sending troops to other countries, you are interfering in other countries' affairs under the guise of assistance'. He maintained a basic objection to the anti-China origins and purpose of SEATO: the Australian Government

joined many treaties that are against or unfriendly to China, for instance, SEATO. SEATO is a military treaty and was used as a spearhead against China, so there cannot be good relations.

When pressed, however, he agreed that SEATO was 'not effective' and had 'fallen apart', and it was clear that it is no longer regarded with serious concern in Peking. Whitlam was not prepared, however, to dismiss ANZUS in the same way, having just come from the biennial conference of the A.L.P. at which support for ANZUS had been reaffirmed and emphasis given to continuing close relations with the American people. He argued persuasively with Chi that Australians, not simply the Labor Party, in no way regarded ANZUS as an offensive alliance but as one which was purely defensive. And while the Labor Party disagrees with the stationing

of troops in Malaysia and Singapore, he argued with similar effect about the Five Power arrangement.

The question of alliances was to arise again in the interview with Chou En-lai, but in the discussion with Chi two highly significant points emerged. The first was that Whitlam made an important breakthrough in communication in presenting the case for Australia, and his arguments appear to have impressed. Chi began with a position of specific opposition to Australia's participation in military alliances. He then moved to a more general position, that regional arrangements are stipulated by the United States or the United Kingdom and that China was not in favour of them because they 'affect the sovereignty of these countries by big power control'. In response to Whitlam's arguments, Chi conceded further that China would not oppose all defence arrangements and that bilateral defence treaties would be approached according to the merits of each and the particular circumstances. On the specific question of ANZUS, Chi said it depended partly on the background, but that China 'Will consider it and decide our attitude according to the nature and the aims of the arrangement'. This represented a concession to Whitlam's argument of potential significance for Australia, and it was possibly as a result of this exchange that Chou En-lai was later to adopt a somewhat different tack, arguing in terms of the effect of the U.S. alliance on Australia itself. The second point was that the Chinese side was open-minded on an issue of vital concern to Australia. The whole exchange was a striking illustration of the value of direct contact and of the compelling need for the establishment of relations with the Chinese Government.

Vietnam. In the discussion of the operation of Australia's alliances, Vietnam was a somewhat different issue, since both sides were in basic agreement, and, since 1966, there had never been any question of a bipartisan Australian policy. Labor's opposition to the war was a matter of open record, and at the recent Federal Conference it had affirmed its opposition to the stationing of Australian troops abroad. 'On this point', said Chi, 'we hold the same opinion and welcome this stand.' He accused the Australian Government of being an 'accomplice' of the U.S. in Vietnam, but from the delegation's discussions and particularly from the interview with Chou En-lai, it was apparent that China regards the Australian involvement in Vietnam, if not with indulgence, at least with a degree of understanding, on the ground that the Australian commitment was an inevitable consequence of the Government's relations with Washington. There was, for example, discussion of the references to Australia in the Pentagon Papers, and Chou En-lai referred to the Nixon doctrine and

the policy of 'using Austrasians to fight Austrasians'. The further implication of this attitude is that, while the Chinese Government does not like what the Australian Government has done and feels strongly about some of the positions it continues to hold, such as support for Chiang Kai-shek, there is no special hostility or enmity towards Australia as such, a fact which many Australians do not understand and find difficult to accept. It was interesting, nevertheless, that Chi Peng-fei moved straight into the question of Vietnam at the beginning of the interview, and that Chou En-lai did the same. The inference to be drawn from this is not simply that China wanted to know precisely where the A.L.P. stood, but that it was concerned to make absolutely certain that China's willingness to deal with the U.S. and its allies in Vietnam did not mean that this issue could be swept under the table.

After the delegation had left China, wide publicity was given to what the Chinese side had said concerning participation in a reconvened Geneva Conference. Following the Kissinger visit and notes of concern sounded in Hanoi, subsequent Chinese statements rejected any such intention on their part, but Whitlam came away with the strong impression that, with certain critical qualifications, this might not be the case. He did so on the basis of a direct answer to a question he put to Chou En-lai. After the conclusion of the interview, Chou walked with the delegation to the outside entrance of the reception hall, and the conversation between him and Whitlam touched briefly on their respective ages, the Bandung Conference, and the 1954 Geneva Conference. At this point, Whitlam asked Chou:

'Does China still support the principles of the Geneva Conference? Would you attend a reconvened Geneva Conference?'

Chou: 'Yes'.

Whitlam: 'How about Bandung? Is China presently interested in a new Bandung Conference?'

Chou: 'It would not be in Bandung. President Soekarno is no longer there. Perhaps it will be in Phnom Penh'.

Chou did not elaborate on what he meant by his comment on the Geneva Conference or on the terms on which he might go, but it was obviously intended, and it was 'on the record' to an extent that parts of this final exchange were being recorded by Australian pressmen. Whitlam was surprised at the remark, and the fact that Chou's response had been so positive and unhesitating prompted him to pursue the question with the French Ambassador, Manac'h, at a dinner given by the ambassador for the delegation two days later. Manac'h, who is known to be on very good terms with Chou En-lai, gave it as his own opinion that Chinese interest

in any Vietnam peace conference would depend on whether it was initiated or agreed to by the aggrieved parties in Indo-China, that the Chinese would not agree to any conference in which the leading and predominant participants were European, as had been the case at Geneva, but that it would have to be in a more Asian framework. It was at this same dinner that Manac'h discussed the new seven-point proposal of the Provisional Government of South Vietnam, and the fact that China had supported the proposal, which represented a more positive attitude to the Paris peace talks than had previously been the case. It was on the basis of this conversation that Whitlam cabled the Australian Prime Minister suggesting that he might urge on the United States the seriousness of the proposals and the fact that they presented an honorable opportunity for the United States to withdraw. And it was on the basis of this cable that McMahon described Whitlam as the spokesman for those against whom Australia was fighting in Vietnam. Manac'h enjoys a considerable reputation for being well informed. McMahon, after Whitlam had disclosed the source of the information, commented that 'As a result of some cocktail gossip with a foreign representative in China, he [Whitlam] caused more havoc than any man could have caused either in Australia or in any other part of the world',²⁵ reflecting not only contempt for a highly skilled diplomat but also a somewhat Lilliputian view of what constitutes havoc in this world.

Whitlam's statements about a reconvened Geneva Conference in his press conferences in Hong Kong and Tokyo seemed contradicted by later Chinese statements on the subject, but he did not misrepresent Chou, since Chinese participation in a reconvened conference was the minimum interpretation which could be placed on Chou's otherwise unelaborated remark. Whitlam had put the question to Chou directly and Chou had replied Yes, and his interpretation was reinforced by the opinion that what Manac'h had said reflected information obtained directly from Chinese sources. Since the general principles outlined by Manac'h would not be inconsistent with any known Chinese position, and since there have been subsequent suggestions from a variety of sources that China may at least be giving some thought to a new peace conference, it appears that Chou may have been thinking of something other than a reconvened Geneva Conference, but using Geneva as a shorthand, which has become common practice in other countries in recent years. Whitlam also used it in this sense, or with the necessary qualifications, in his subsequent statements. The force of China's later denials appears to be explained by the fact that considerable speculation had arisen over Whitlam's remarks and over the first visit of Dr Kissinger to Peking, and that China was concerned to reassure its Vietnamese allies that what-

ever views it held about a peace conference it was not going to betray the Vietnamese by secret deals behind their backs. In fact, Chi Peng-fei had said quite unequivocally that China did not think there were conditions for a conference 'whilst the U.S. continues the war and has its troops in Vietnam'.

One question of direct concern in Australia-China relations raised by the delegation in the meeting with Chi concerned the pro-Peking Communist Party of Australia. This party and its relationship with China is not a political issue in Australia and it certainly has no connection with the Labor Party. But it is committed to revolution in Australia, it is closely aligned ideologically with Peking and, since the latter period of the Cultural Revolution, it appeared to have been making decisions on applications to visit China, to have assumed an almost quasi-consular function. Whitlam asked what China's attitude towards this party was, and particularly what it would be after the establishment of relations, and Chi replied that the existence of this 'party will not affect the relationship between our two countries. Your domestic problems are for you to solve yourselves and we will not interfere in your internal affairs'.

The talks with Chi, and later with Ministry officials, covered a wide range of international issues. In response to questions, Chi explained at some length the interesting principles on which China bases its economic and technical assistance to foreign countries,²⁶ and in talking about the U.N., he said China was 'not optimistic' about being admitted in 1971, or even in 1972. The delegation was interested also in China's relations with Indonesia, on which point Chi replied that if President Suharto 'gives up the policy of opposing China it is not impossible that we could re-establish relations'. And Whitlam was intrigued by the fact that in China's argument about Japan there was no indication of whether China might respond if Japan did, in fact, embark on military adventures abroad, and Chi answered his question by saying that China 'would not lightly send troops to foreign countries'. With Dr Kissinger about to arrive in Peking, Chi was ready to agree that the United States was more passive in its attitude towards China, but cautioned that it could be expected to 'continue to play tricks'. For those of us who were still in China when the announcement of Kissinger's visit was made, there were opportunities to explore the responses of Chinese people. Although some were prepared to express strong views about President Nixon, most people we questioned replied that if Premier Chou had invited Nixon to China this must ultimately serve the interests of Sino-U.S. relations and world peace. Foreign Ministry officials seemed to expect

that the announcement would silence the criticism in Australia of the A.L.P. visit to China.

On some of the international issues there were basic disagreements between the two sides, but as Whitlam said later in the interview with Chou En-lai, 'neither of your Ministers and none of your officials questioned our right to have different assessments from those of the Chinese Government . . . when there were differences they were understood and respected'. One example was Vietnam, on which the A.L.P., while sympathising with the Chinese position on withdrawal of foreign troops, strongly supports a negotiated settlement or a peace conference if either would bring an immediate halt to the carnage and produce a settlement acceptable to the Vietnamese people. Another concerned nuclear weapons, on which the A.L.P. supports whatever partial measures have already been taken for control, but on which China, being a principal target of both the United States and the Soviet Union, argues that it must develop its own credible deterrent, that the measures adopted so far serve only to guarantee super power domination of the world by the U.S. and the U.S.S.R., which are themselves still engaged in an arms race, and that the only realistic solution, proposed by China in 1963, is an agreement by a Heads of State conference of all nations on the total prohibition and destruction of all nuclear weapons.

One of the more interesting exchanges concerned Bangla Desh. Like most Australians, Whitlam was appalled at what had happened in the eastern part of Pakistan. China had supported the Pakistan Government, partly because of the long-standing friendship between the two governments and the confrontation with India and the Soviet Union, and this support was regarded by some foreigners as a cynical act of betrayal. China's motives, which deserve greater attention than they have received, are explored more fully in Part III of this paper. But in the discussion with Chi Peng-fei, the A.L.P. delegation had what was possibly the earliest indication of China's dilemma and of its real feelings on the actions of the Pakistan Government. Whitlam had raised the subject and his opinion was not lost on the Chinese side. In the careful language of Chinese diplomacy, Chi responded that China 'hoped that the Pakistan Government would adopt good policies to solve the refugee problem, but this is a domestic problem and we do not interfere in internal affairs'. The implication was that, while standing by its relationship with the Pakistan Government, China did not approve of what had taken place, and it appears subsequently to have expressed its views quite strongly to representatives of Pakistan.

Sino-Australian trade. Discussions with the Minister of Foreign Trade,

Pai Hsiang-kuo, covered a wide variety of subjects. But as both sides acknowledged, the A.L.P. delegation was not in Peking in a negotiating capacity, which meant that apart from soliciting Chinese views on problems in Sino-Australian trade and extracting information on future trade policies, on which few governments would be prepared to give an open commitment, it was not possible to pursue individual matters very far. The Chinese have a reputation for business acumen, buying where prices are best, and they are seldom prepared to commit themselves to future purchases of individual commodities; on lesser commodities, actual details are negotiated by the state trading corporations in accordance with China's current needs, usually, in the case of Australia, with private businessmen. The Chinese position, therefore, was that most of the general issues raised could be pursued further after normalisation of relations—an example of the basic negotiating position of China which the Australian Government at that stage had still failed to understand, and also possibly an inducement to speedy recognition.

Beginning with a statement of the principles on which China based its foreign trade,²⁷ Pai went on to say that the Australian Government had consistently pursued a policy of hostility towards China, that economics and trade could not be separated from politics, and that trade 'could only be continued and developed under a situation of normal relations between our two countries'. He said that the policies of the Australian Government in following U.S. imperialism and in its hostility towards China, and particularly its relations with Chiang Kai-shek and its opposition to the restoration of China's legal rights in the U.N., 'cannot but affect' normal trade relations between China and Australia. In this respect, China had made great efforts, but the difficulties were not on the Chinese side.

The discussion then moved to the subject of wheat. The disadvantage of the Australian position had already been underlined on the day the A.L.P. delegation arrived in China, by the release of a joint communiqué on the visit to China of the Canadian Trade Minister, M. Pepin, in which it was stated that 'in accordance with Canada's wishes China would continue to consider Canada first as a source of wheat as import needs arose'.²⁸ The word 'continue' confirmed the A.L.P.'s suppositions about China's reasons for suspending wheat purchases from Australia, and made nonsense of the Australian Government's later claims that Whitlam's 'visit compromised discussions which the Australian Wheat Board was just about to begin with the Chinese when he first announced his intention to go to China'.²⁹ The unusual assurance given to Canada on future purchases also seemed calculated to underline the political significance of China's

wheat trade. Further confirmation was obtained from Pai Hsiang-kuo. He told the delegation what was already familiar to observers of China, that China had had nine successive years of good harvests, that the 1971 summer crop was 'comparatively' good, and that China was now self-sufficient in food grains and also had some grain reserves. He also said that China had a surplus for export, but that it imported wheat and other grains because it wanted certain particular varieties and also 'to meet the needs of trade'. He said that while the amount varied from year to year, China always imported a certain quantity.

Pai continued: 'The Australian Government's hostile policy towards China, following U.S. imperialism, created certain obstacles in China's wheat trade with Australia.'

Patterson: 'What obstacles?'

Chi: 'It still has diplomatic relations with Chiang Kai-shek, a political mummy, and has opposed China in the United Nations.'

Offering an incidental comment on the Chinese view of the Australian Government's negotiating position in the dialogue, he said that this 'two-Chinas policy' was an interference in China's internal affairs, and it was in this context that he said that China approved of the A.L.P.'s policy. Underlining his earlier statement that trade could only be continued and developed if relations were normalised, Pai added:

Trade in wheat can be carried out smoothly only if normal political relationships apply between our two countries. We regard the political relationship as the fundamental question . . . because of the hostility of the Australian Government it follows that such an attitude cannot but affect our trade relations.

When Patterson raised the subject of the recent communiqué with Canada, and questioned how this affected long-term prospects for purchases from Australia, Pai replied: 'If the Australian Government changes its policy towards China, we will give you the same consideration as we have given to Canada.'

The circumstances in which China had bought Australian wheat before 1970 had been largely ones of China's economic need. But in 1970, not only had an improved agricultural situation allowed China the luxury of political choice, but an international climate changing rapidly in China's favour tended to make the Australian attitude much more obtrusive than it had been in the past. This is not to say that Pai flatly ruled out any remote prospect of buying wheat from a non-recognising Australian Government; but the fact that he did not do so was more an illustration of the Chinese practice of not closing the door against the exigencies of a

radically changed situation, such as a massive agricultural setback, than any real prospect that purchases might be resumed while Australian policy remains unchanged. And the fact that the Australian Government has set itself so much at odds with China when the rest of the world is moving in the opposite direction means that even if China needed more wheat and Canada was unable to supply all its needs, it is unlikely now to compromise its principle of trade and politics as it did before 1970; it would certainly explore other sources and alternative solutions before even considering Australia; and, from all indications, it would probably decide to put political considerations before economic benefit. The only foreseeable circumstances in which it would buy wheat from the present government before normalisation would be in the face of an economic crisis of disastrous proportions, or on the basis of a private guarantee that recognition had been decided on, on China's terms, and would follow within a specified period of time.

China's objections to wheat purchases do not, of course, extend to other commodities. The reason appears to be partly that China regards the Wheat Board as being, in effect if not technically, a government instrumentality, and with this in mind Patterson urged that China consider the effect on the wheat farmers rather than on the Australian Government. There is also the fact that the wheat sales were the most important element of national significance in relations between the two countries, and had often been referred to by the Liberal and Country parties as the outstanding evidence of the success of their policy of upholding the political quarantine of China while encouraging the development of trade. The Chinese are aware of the political aspects of the wheat trade in Australia, and of the statements made by Government ministers. McMahon, for example, ignoring his own Government's dabbling in politics through the Wheat Board, charged that Whitlam 'played the Chinese game by introducing politics into wheat. We think our best interests will be served by leaving it to the Wheat Board and keeping it out of politics'.³⁰ The Chinese do not regard this as an honest statement of the Government's position. China sees no reason to deny itself opportunities to trade with private companies, but it is no longer prepared to engage in a trade from which part of the benefit accrues to a hostile Australian government.

Pai Hsiang-kuo assured the delegation that China believed there were opportunities for increased trade between the two countries, and that there would be no problem in discussing the particulars once relations had been normalised. Patterson raised the subjects of wool, in which the Chinese are not particularly interested at present, and sugar, which Pai said China

might consider in the future if there was any possibility of increased imports, but pointed out that China's own production was in the main self-sufficient and that sugar was already imported from Cuba 'in the interests of two-way trade'. On these matters, as on mineral and industrial products, the discussions were necessarily limited by the fact that the A.L.P. was neither an official government delegation nor a private company with specific proposals to discuss. The question of landing rights for QANTAS was no more than a remote possibility, which Pai said China would be willing to discuss 'when the situation arises'. But for Australians, it was interesting that on this point also the Canadians were so far ahead of Australia that M. Pepin had just obtained Chou En-lai's approval for a Canadian air service to China, only the second western country to have done so and the first country to have secured a route linking China with North America. Whitlam learnt in China that some years previously the Government had vetoed a visit to China by a QANTAS official.

Two further political questions were discussed with Pai Hsiang-kuo. Patterson and Burns questioned him on allegations of Chinese dumping in Australia, a subject of as much concern to Australian workers as it is to manufacturers. Pai denied the allegations, asserting that dumping was a form of exploitation of other countries in the name of trade and pointing out that it was essential to consider differences in the cost of production from one country to another. It is, of course, well known that many of China's export commodities are produced very cheaply, which the delegation could verify, at least in part, from its discussions with factory workers about wages, which are uniformly low but which in the Chinese economy are sufficient not only to meet the workers' needs but to enable them to buy small 'luxury' items and still deposit a surprisingly large proportion in savings banks. There is no reason to disbelieve Pai's claims about his country's trade practices, and it is not surprising that Chinese officials were sensitive about the Australian Government's imposition of tariff barriers against certain Chinese goods, without consultation or warning, and which, as Pai said, 'had made some trade impossible'.

The second question concerned Chinese purchases from Australian subsidiaries of foreign companies. Pai said that China would not buy from wholly-owned subsidiaries or associates of U.S. companies in Australia, but that Australian firms with U.S. capital would be considered separately, according to the percentage of U.S. capital. In the case of Japanese capital, Pai said that China would consider each case on its own merits, but that in general it would apply the same conditions to Japanese subsidiaries or associates in Australia as it had outlined in a set of principles covering

trade with Japanese firms, the essence of which was that China would not deal with firms involved in trade with Taiwan or South Korea or supplying arms and ammunition to the U.S. for use in Indo-China.

INTERVIEW WITH CHOU EN-LAI ³¹

The meeting with Chou was intensely interesting for what it revealed about the style of Chinese diplomacy, absorbing for what it reflected of the objectives of Chinese foreign policy. The import for Australia was lost on Whitlam's critics, whose intemperate attacks did little to improve the fortunes of the dialogue they were attempting with China, discredited their own claims to a serious and responsible understanding of foreign affairs, debased the public debate on China, and threatened to reintroduce the Cold War into Australian politics by way of China, the red menace and, by the use of China-derived terms which have their own emotive history in Australian politics, the 'yellow peril'. Where Chou himself took the meeting seriously, the Australian Government did not, and so failed to realise that the importance of the meeting for Australia lay not in what might be extracted from it for party attacks on the leader of the Opposition but in what Chou was saying, which will be of critical importance in the future of Australian foreign policy. The measure of the Government's criticisms is exemplified by McMahon's accusation that Whitlam had been conducting an exercise in 'instant coffee' diplomacy.

I have discussed elsewhere the style of China's diplomacy as the delegation experienced it in action,³² but some points deserve mention here. The Chinese have made a point of negotiating on their own ground, on their own terms, allowing others to take the initiative so that China can have manoeuvrability in its response, and using the element of surprise to great advantage. These factors were all present in the circumstances of the A.L.P. visit and were exemplified in the interview with Chou; they may be described as 'guerilla diplomacy', not in the sense of objectives but simply in terms of tactics. The A.L.P. had initiated the first contact with China; it had gone to Peking for the discussions and the level of these discussions was decided entirely by the Chinese; it was able to have fruitful talks only because its established position on recognition was acceptable in the terms China has demanded from all foreign governments. China itself was operating on two fronts, with the A.L.P. in Peking and with Australian Government representatives in Paris, and in its talks with the A.L.P. it had been flexible while always preserving its base position by frequent reminders that substantial improvement in relations was contingent upon the establishment of diplomatic relations. The element of surprise came

in the interview with Chou, which was announced at short notice and actually held at even shorter notice, and in front of Chinese and Australian journalists and television cameras, which the delegation had not anticipated and realised only when the press was permitted to remain after photographs had been taken. This had not been the case in previous meetings. Whitlam had been informed by Chinese officials that it was usual for such meetings to begin with a short formal statement, but Chou moved straight into the discussion, and throughout the interview kept bringing the conversation back to subjects which he wanted to discuss. This is not to say that the reception of the A.L.P. delegation was unusual. Chou's performance was consistent with his past practice, and although the delegation was unaware of it at the time, he had also been making a habit of holding such interviews in front of the press, with the Canadians, for example, and even with a recent Vietnamese delegation. Nor does 'guerilla diplomacy' imply that the Chinese approach is unfriendly or unaccommodating. It was, for example, a measure of China's concern to meet the wishes of the delegation that the meeting with Chou, expected later in the week, was arranged immediately after preliminary discussions on the itinerary, during which no time had been set aside for a meeting and Chinese officials sensed that the delegation was wondering if it would meet the Premier at all. And as the discussion below indicates, Chou was prepared to make public declarations on the success of the A.L.P. visit which he knew the A.L.P. could use in establishing the credibility of its mission in Australia.

In the meetings which had been held before the interview with Chou, the delegation had already raised all the issues of direct concern in Australia-China relations, and all the important points had been pursued at some length. Whitlam had taken the initiative throughout the two and a half hour meeting with Chi Peng-fei, both in presenting the A.L.P. views and in pressing for information from the Chinese side, with the result that at the end of the meeting Chi asked if, in view of the fact that the course of the morning's discussions had been determined largely by Whitlam, the delegation would be agreeable to further discussions in the afternoon. The same was true of the meeting with Pai Hsiang-kuo, in which Patterson acted as spokesman. By the time it came to the meeting with Chou, therefore, the delegation had not only had exhaustive talks on all the major issues and placed on record the points on which it questioned or disagreed with the Chinese Government's views, but it had reached a point beyond which it could not proceed without moving into a position of negotiating in detail on specific points, which it was not in a position to do. As a result, the meeting with Chou was of a rather different character, and it was

approached as such by both sides. Whitlam's main concern by that stage was to obtain an insight into the thinking of the man ultimately responsible for Chinese foreign policy and his views on how China regarded the critical issues of international politics. Chou appears to have had a number of objectives. One was to persuade Whitlam to endorse China's views on Japan and the United States. A second was to impress on him the Chinese view of the behaviour of the super powers and the implications for countries such as Australia. A third was to use the meeting, by including the press, as a means of gaining wide publicity for the thinking underlying China's foreign policies in a form which might be more effective than the jargon-laden presentations of the official Chinese media.

Given Chinese assumptions about Japan, it is not difficult to see how China views Australia's relationship with Japan or to imagine the questions raised in Peking about possible roles for Australia in Japan's China policy. Japan was a recurring theme throughout the A.L.P. visit, to an extent that was somewhat surprising even given the high level of Chinese attention to Japan at that time. On the last evening in Peking, the delegation was shown a Japanese-made film, one of the many which China has been criticising recently as examples of glorification by Japanese film-makers of Japan's mission in its Asian and Pacific war. This is not as trivial as it may seem, since the Chinese case about militarist revival rests partly on an argument that what is involved is a state of mind, important if the 'militarists' are to achieve their purpose.

Japan was one of the first substantive issues raised by Chou En-lai. He asked Whitlam to clarify a point he had made in the preceding discussions about ANZUS being regarded as a treaty for 'preventing restoration of Japanese militarism', and questioned what points of the treaty were directed specifically to this end. Whitlam's original remark had not been framed in the way Chou put the question, and he explained that what he had meant was that ANZUS had been signed at a time when Australians and New Zealanders 'had the same fear of the Japanese as I believe your people have now', and that the Americans, who were more anxious to sign a peace treaty with Japan, entered into the obligations of the ANZUS treaty to reassure the Australians and the New Zealanders. The discussion moved from there to SEATO and Vietnam, but Chou returned constantly to the subject of Japan, making four main points in support of the Chinese case. One was the theoretical proposition that when capitalist economies develop to a certain point they seek to expand outwards. A second was that 'it has become one of the principal components of the Nixon doctrine to turn Japan into a vanguard in the Far East', that

the 'United States imperialists are training their successors to continue to raise provocations', that 'America has stepped up the revival of Japanese militarism'. Chou also suggested that the Soviet Union, 'in very warm relations with the Sato Government', was acting in concert with the United States in this purpose. A third point concerned what China sees as the concrete evidence of militarist revival within Japan. 'The most concrete manifestation was a joint statement by Nixon and Sato in November 1969.' This was the statement in which Sato had declared that Taiwan and South Korea were important to the security of Japan, which touched on the most sensitive area of China's policy and which had raised questions, not only in China, about what military means Japan might use to maintain this security. Continuing on the Nixon-Sato statement, Chou said: 'It meant in actuality to prolong indefinitely the Japanese-American security treaty maintaining military operations on Okinawa and at the same time military bases and some naval bases on Japan proper.' He then referred to the fact that Japan's fourth defence plan of US\$16,000 million represented the equivalent of the total amount spent on the previous three plans and, returning to the subject later, said that 'a proportion' of those in power in Japan, including Sato and Nakasone, wanted Japan to have nuclear weapons, that 'the American Defence Department is considering whether to give them tactical nuclear weapons or something more powerful', and that they were planning to take over the patrols conducted from Okinawa by the Americans:

The radius of this air defence extends in the north to reach the southern part of Korea and in the west to reach the East China Sea and the Yellow Sea and south to Taiwan . . . Under the treaty by which Okinawa will revert to Japan, Japan will maintain this radius of patrol. How is that permissible? If you are allowed to patrol there equally, should we make similar patrols close to their territory? Would not that make trouble?

Chou's fourth main point was that Japanese militarism was already finding expression in outward expansion, that 'Economic expansion will shortly bring with it military expansion', elaborating the point by specific reference to Australia:

The Japanese economy has already exceeded saturation point. They are extending their hands into Australia. They started that long ago . . . They will want to extend further, and then insist on their security and so-called lifeline,

which extended from north-east China to the Straits of Malacca.

Whitlam: 'But what do you think the attitude of Indonesia and Malaysia would be towards any Japanese military interest in the Straits of Malacca?'

Chou: 'We know through some of their friends that they are somewhat tense on this matter. They want to maintain neutrality. The question is whether United States imperialism will allow them to remain neutral. That is Asia's question. When the Japanese economy expands outwards it will extend its hand into those weak places. Once they expand economically then the next moment there will be military protection. So we see them paying particular attention to their air force and navy.'

Chou was quite clearly seeking direct support for China's views on Japan, both through presentation of the case itself, through his specific references to Australia, and also by less direct appeals to which Whitlam might easily have agreed and thus provided the assurance Chou was seeking. Where Whitlam had distinguished between Australian fears of Japan in 1951 and Chinese fears in 1971, for example, Chou turned this into the present tense: 'Both of our peoples have similar sentiments'. Towards the end of the interview, speaking of relations between China and Australia, Chou said:

Both have suffered from Japanese militarism . . . the peoples of our countries don't want war to break out again. When a country wants independence, how can you make it submit by armed force?

Whitlam was not prepared to give this assurance. He said

there is one thing about Japan that we do appreciate. It is the most wealthy and developed country which will not have anything to do with nuclear weapons. We think that is reassuring.

To this Chou replied sharply, in English, 'No!'. Whitlam also objected to Chou's assertion about Japan acquiring tactical nuclear weapons from the U.S., on the ground that this would be in breach of their treaties, which Chou answered by reference to the Pentagon Papers and secret treaties. In defending Japan, Whitlam was not totally disregarding the Chinese case, since as he said after his return to Australia, 'We should at least have the grace to try to understand the basis of China's fears, when we are so obsessed by our own'.³³ And although he believes strongly that 'Japan will be the first great economic power to break the nexus between economic strength and military strength',³⁴ the significance of the Chinese view of Japan was one aspect of the discussions in Peking which impressed him most, and prompted him both in China and during his subsequent visit to Japan to follow the matter up in some detail, ranging from the recent dispute over the Senkaku Islands back to the Yoshida Letter and Japan's separate peace treaty with Chiang Kai-shek. As a result, he formed the opinion that one constructive role which Australia might attempt would be to seek to ameliorate the hostility between China and Japan, in particular helping Japan off the hook over the question of Taiwan.

The substance of his views was set forth in speeches made to the National Press Club in Canberra on 26th July 1971 and to the Institute of International Affairs in Townsville on 25 September 1971.

Interwoven with the subject of Japan in the Chou interview was the question of ANZUS and SEATO, in which Chou sought unsuccessfully an A.L.P. repudiation of Australia's alliance with the United States. The main line of his argument rested on an interesting parallel between Australia-U.S. relations and Sino-Soviet relations, to which he added a further parallel between U.S. and Soviet policies towards China, which may have been thrown in partly as a reminder to the A.L.P. that the Australian Government was seeking closer ties with Moscow.

Leading on from the opening discussion about ANZUS, Whitlam reiterated that

we in Australia regard the ANZUS treaty as entirely defensive. It has never been used as justification for operating in Vietnam . . . The formula that has been used about Vietnam by the Australian Government for our participation in that war is sustained under the provisions of SEATO

It was at this point that Chou indicated a different line from that which had been taken by Chi Peng-fei in his initial position on Australia's alliances, emphasising not the anti-China hostility underlying Australian participation but the dangers of dependence on great powers. Chou said that

in linking up the ANZUS treaty with SEATO we can learn this lesson. That is, both of them have the United States as the principal member. That was the policy of John Foster Dulles at that time. You may say it was his soul . . . Immediately following the conclusion of the SEATO treaty came the so-called treaty between the United States and Chiang Kai-shek for defence of Taiwan and Quemoy. That is to say, his policy was by a whole series of alliances to encircle China . . . Now he has a successor to the north.

Chou then went on:

We too had a defensive treaty, concluded in 1950 between China and the Soviet Union. That treaty was called the Sino-Soviet Friendship Treaty of Alliance and Mutual Aid. The first article of that treaty was that the aim of this treaty was to prevent the resurgence of Japanese militarism. It may have been put in even more clear terms than the ANZUS treaty. It was made clear in the treaty that if Japanese militarism is reviving or some other nation helps Japan to revive militarism then the two countries help each other.

Chou spoke at some length about Japan, and then said:

And what about our so-called ally? They are in very warm relations with the Sato

Government and also engage in very warm discussions with the Nixon Government on so-called nuclear disarmament while we, their ally, are being threatened by them together. So we feel that our ally is not very reliable. Is your ally very reliable? That is a matter for your consideration, a matter for your reference. You see they have succeeded in dragging you into the Vietnam battle field. How is that defensive? That is aggression.

Whitlam then replied that, while

none of us has any doubt about the seriousness of Chinese fears towards reviving Japanese militarism, I must say with respect that I see no parallel in the Sino-Soviet pact and the ANZUS Treaty. There has been no similar deterioration in relations between Australia, New Zealand and the U.S. as there has been between the People's Republic of China and the Soviet Union.

He also put a 'qualifying argument on behalf of America', to the effect that the soul of Dulles was no longer alive, that the American people had broken President Johnson and would do the same to Nixon if he did not continue to withdraw from Vietnam. The strength of Whitlam's sentiment was founded on the A.L.P.'s opposition to the war and the fact that it was not only America which had been involved, but also 'the Australian people [who] have had a bitter experience in going "all the way with LBJ"'. It would have been difficult, and dishonest, for Whitlam to have defended the presidents who had involved Australia in the war, but he did impress upon Chou that the A.L.P. still valued the relationship with the people of the United States.

Towards the end of the interview, Whitlam turned the conversation back to the subject of China's relations with Australia. In response to Chou's persistent charges about the U.S. and Japan and their attempts to involve other countries in their 'provocations' and the protection of their security and lifelines, and what seemed to be implied in these charges about the role of Australia, Whitlam contrived to defend the Australian Government, saying that it 'has never had any defence arrangements with Japan and has never had any defence arrangements with Chiang Kai-shek'.

Chou: 'But you are clear that the position of your present Australian Government is not friendly to China. That you are clear about. Probably because your excellencies are here the Australian Prime Minister declared yesterday that the establishment of diplomatic relations with China is far off now'.

Whitlam: 'There are elections in November next year. If there are no proper relations by the time of these elections there will be as soon as we can achieve it soon afterwards'.

Chou: 'They do not want to establish diplomatic relations. He seems to be quite confident. It is probably because your party is in China.'

Whitlam: 'This may be. I must say even to the credit of my opponents, that they are catching up with the realities of life on China to a certain extent. They know Dulles' policies have failed dismally and if President Nixon says he wants to visit China, can McMahon be far behind?'

Chou's laughter at this point may have been as much at the fact that he was that week expecting Dr Kissinger in Peking as at the allusion to McMahon. He then said:

In coming here you have given voice to the wishes of the Australian people, not only the six members of the delegation but ten correspondents representing not one but different points of view. They can serve as witnesses to the fact that the Chinese people are willing to be friendly to the Australian people. From this point on, we can say that relations between our two countries will develop.

The formal interview concluded with Chou's remark welcoming a future visit by a Labor Prime Minister.

In this final exchange, Chou was speaking with the knowledge of what had passed between Chinese and Australian officials in Paris, which must have prompted his quite strong assertion that the Australian Government was not interested in diplomatic relations. He also indicated an appreciation of the Government's partisan approach to the China question, the A.L.P. visit to China having moved the Government to put itself in a position where it could attack the Labor Party, by distinguishing its own policy from the Labor initiative and declaring that diplomatic relations were far off. And finally, despite the fact that Whitlam had refused to give the commitment Chou had been seeking, Chou was still prepared to declare the visit a success and a turning point in Sino-Australian relations. Chou's verdict that the visit had established a basis on which relations could be normalised, from the Australian viewpoint on Australia-China relations, was probably the most significant point of the visit. And while in no way making an exclusive commitment to Whitlam, Chou did hand Whitlam an assurance that the A.L.P. position was acceptable to the Chinese Government, which Chou knew Whitlam could present to the Australian people as evidence that the visit had been timely, appropriate to the state of Australia-China relations, and had laid the foundations for diplomatic relations by whichever Australian Government was in power.

Much has been written about Chou in recent months, but several points are worth emphasising. He had been extremely closely briefed about the Australian situation and the details of the delegation's discussions, and, at

73, he showed every sign of having retained the detail and accurately assessed the essentials of each problem to an extent that seems to elude many younger men. This ability is familiar to those who know something of Chou's performance in domestic politics, or in relation to major problems such as the United States or the Soviet Union. But it was an impressive example of the measure of his mental agility that he was able, and interested, to do the same in relation to Australia, always of peripheral significance in China's foreign relations, and to the A.L.P. visit, which in that particular week must have been almost the very last of Chou's domestic and external priorities. Apart from the Kissinger visit, there was another irony lost on the delegation at the time, in that Chou asked Terrill and myself separately if we had read and understood the importance of the C.C.P.'s 1 July press editorial, which in retrospect is known to have sounded the first major public shot in the move to unseat Lin Piao. It is difficult to think of a more accomplished statesman-diplomat in the twentieth century than Chou En-lai, and the manner in which he conducted the interview was in itself a typically adroit performance. But Chou also pressed Whitlam extremely hard, reflecting the seriousness with which China regards the international problems he was discussing, and a concern to impress these views strongly on the Australian and international audience through the members of the press. But perhaps equally important, Chou has a fine sense of humour and he spoke of the present and potential threats to China in hard analytical terms but without rancour, which may be important for the future of China's foreign relations.

An assessment of the visit

For Whitlam, the visit to China presented a serious test, both of his own capacity and of his political judgment. He was accused by McMahon of going to China to play party politics, yet in deciding to go himself he was taking a political risk. If his main consideration had been party politics, this must have dictated that he should have let Patterson make a low-key visit, but himself have remained in Australia and made what he could out of the Government's negative policies and whatever was achieved by a Patterson visit. While China might not be a vote-winner in Australia, the emotional and polemical history of the China issue in domestic politics meant that it could be a vote-loser, and any Labor Opposition leader moving towards an election, who put party politics above all else, would not have risked the possibility that a visit to China would redound to his party's serious political disadvantage. Whitlam believed that the visit was worth making in the interests of future Australia-China relations, whatever the risk.

His performance in the first session in Peking, with Chi Peng-fei, set the pattern for the rest of the discussions and established a foundation on which the delegation was able to pursue to its own satisfaction most of what it had set out to achieve. In so far as Whitlam argued against the Chinese on issues of concern to Australia, this appears to have been without detrimental effect on the Chinese approach to other issues on which there was room for mutual agreement. This was most clearly the case in the interview with Chou, particularly since Chou's presentation of his own case at times became a concerted barrage by which he sought to manoeuvre Whitlam to a point of agreement.

The interview with Chou also underlines one characteristic which might mark Whitlam's approach to foreign policy when in office—a preference for plain speaking. Opposed to external military solutions to Asian problems, and equally opposed to other less-publicised essays in arm-twisting, Whitlam believes that renunciation of intervention in the affairs of other countries should not preclude making one's position known publicly, and that, even where this is critical, it is both preferable and ultimately more constructive than big-stick intervention. The convenience of diplomatic communication afforded an incumbent foreign minister would have some advantages in this respect, but Whitlam believes that direct expressions of opinion may provide a better basis for relationships in which there are also areas of agreement and co-operation. He put his views to the Chinese both privately and in public. He said publicly in Canberra what he had said privately to the Chinese about, for example, the recent actions of the Pakistan Government. It was in the same spirit that he criticised the U.S. on the specific question of Vietnam, while defending ANZUS and Australia's relations with the American people. And it was in this spirit also that he referred to the sudden termination of Soviet aid to China in 1960, to the way in which the government of Sihanouk had been overthrown, and to moves by Thailand and the Philippines to reverse their policies towards China.

The more immediate results of the visit can be put very simply. Although Lord Casey, when Minister for External Affairs, had met privately with Chou En-lai at Geneva in 1954, the A.L.P. visit was the first really significant political contact between China and Australia since 1949. The delegation's discussions opened the way for relations between the two countries, although responsibility for further action now lies with the ruling Australian Government. The A.L.P. received assurances, conditional upon normalisation of relations, that China saw possibilities for expanded contacts in a number of areas, including trade, as well as unequivocal evidence to

support its contention that the obstacle to improved relations, including wheat sales, was the attitudes and continuing pronouncements of the Australian Government.

The A.L.P. also secured terms on which China might be recognised without sacrificing Australia's basic national interests. The implications of the A.L.P. position for Australia's relations with Chiang Kai-shek became the subject of much emotional, but uninformed, criticism. The formula proposed by the A.L.P. has been discussed above, but since the question of Taiwan is the central issue in the Government's case, it is worth some mention here. The A.L.P.'s position in Peking was not a matter of simply doing what the Chinese demanded, but was taken out of consideration for its assessment of the facts of the situation, and Australians will have to take more account of facts and less of fears and fantasies if they are to develop a new style of foreign policy.³⁵ Taiwan is not an 'independent small nation', as was claimed in the lobbying which preceded the U.N. vote in 1971, but a part of China, populated by people who are ethnically and culturally Chinese. China is not even a divided nation in the sense that such divisions elsewhere have been created by international agreement. The rulers of Taiwan do not dispute this, and the terms on which they accept recognition by the Australian Government are as the Government of the whole of China including the mainland, a position the Australian Government, when questioned, has not denied. The Chinese Nationalists are not original members of the U.N.; the state of China is. To argue otherwise is to say that membership belongs not to the country but to the party or group which happens to be in power at the time of the signing of the U.N. Charter. The Chinese Nationalists are not allies of Australia; Australia has no alliance obligation to them, nor have they ever expressed any obligation to Australia in return for its international support.

Most important, perhaps, is that Taiwan is not populated by fourteen and a half million people who fled from the Communists in 1949, but by the inhabitants or descendants of the 85 per cent of the people who were there when Chiang Kai-shek arrived from the mainland, who are deeply resentful of the Chinese Nationalists, and who would like nothing more than to be rid of them. To the extent that there is separatist feeling in the island today it is in direct response to the repressive policies of Chiang Kai-shek and a relationship which began with a welcome to the Nationalist forces as liberators from the Japanese but which was soured by the massacre of 1947 and its continuing repercussions since then. This is why it is difficult to believe the sincerity of those who express new-found concern for the 'people' of Taiwan as an argument for supporting Chiang Kai-shek.

Their voices were not raised in support for the people before the recent turn of events or in protest against the policies of Chiang Kai-shek. Support for the Chinese Nationalists is not support for the people but support for the defeated faction in what is claimed by both sides, and even by the U.S. before its re-engagement, as a civil war. The situation today exists as a direct result of intervention in this civil war, primarily by the United States, a re-intervention which took place even before China was involved in the war in Korea. Support for the Chinese Nationalists is not support for the 'right of small nations to independent existence' but for the right of Great Powers to partition other countries, a principle one might have thought Australians could not in conscience support nor in their own country accept.

Domestic critics charged that the A.L.P., in taking the position it did on recognition of the government in Peking as the sole legal government of China and the withdrawal of the embassy accredited to Chiang Kai-shek as the sole legal government of China, was abandoning a bargaining point. Whitlam later commented:

The only conclusion one can draw is that Taiwan is to be one of the set-offs in a horse-trading operation—and one which will be the first to be given up. This approach is as unreal as it is dishonorable.³⁶

McMahon himself alleged that any policy that would 'dump' or 'abandon' Taiwan would be 'dangerous for Australia'.³⁷ But if he is committed to recognising Peking at some future point, it can only be on the understanding that this will mean abandoning support for Chiang Kai-shek.

There were two more general effects of the A.L.P. visit. One which Whitlam emphasised was what he called its 'symbolic significance'. Speaking after his return to Australia, he said he believed it was

valuable for Australia that the nations in our region, as well as China and the U.S., should have had clear notice that a change in the government of Australia will mean a clear change and new initiatives in Australian foreign policy. I believe that those nations should know in advance what those changes will be . . . a Labor Government will mean a new foreign policy for Australia, particularly in so far as we reject almost completely the foundations of the present government's policy towards South-East Asia. I define that policy in Sir Robert Menzies' own words—by mainly military means, 'to resist the downward thrust of China between the Indian and Pacific Oceans'. We reject this as a rational statement either of the true situation in our region or of the appropriate policies we should pursue in the region.³⁸

The other effect was the direct impact on the political issue in Australia. Given that the A.L.P. was not in office, this was perhaps the most important

immediate result of the visit at the time. Public debate was stimulated to a degree which had never existed before and public interest has continued on a higher level than it was before the visit. Equally important, the visit had the effect of flushing the Government on to open ground, to a position where it could no longer claim to be the sole possessor of revealed truths, and where it felt compelled to take its first hesitant steps towards a change in China policy since 1949. But far from applauding the A.L.P.'s attempt to break the deadlock in what might have been a period of transition, the Government seemed piqued by the fact that the A.L.P. delegation had been given a productive and high-level reception in Peking. But with reservations about Taiwan, public opinion polls began to show a swing in favour of recognition of Peking, and the Government itself continued its attempt to further a dialogue with China. In terms of what it hoped to achieve, therefore, the A.L.P. delegation counted the visit a success on almost all counts, the exception being the negative contribution of the Government to public discussion on China.

Communication with China. A further result of the A.L.P. mission was that it established a working relationship with the Chinese Government, which deserves attention in that it illustrates the wider possibilities for meaningful communication with China. I am not certain of precisely what the individual members of the delegation expected, but they were surprised at the frankness of the discussions. There were few 'ideological' conversations; there was little jargon. The Chinese were open minded and receptive, they were willing to talk on the delegation's terms, and they went out of their way to understand Australian points of view, exemplified in their attitude towards Australia's alliances. This was the more interesting because the exchanges were not working sessions but a more general statement of principles and purpose by both sides.

Chinese diplomats were able, experienced, and well-informed, and since most of those with whom we dealt were from the Foreign Ministry's West European and North American Affairs Department, which handles Australia, they were also informed about Australia. On most issues relating to Australia they had at least basic information, from the McMahon-Gorton power struggle to the role of the D.L.P. They questioned the delegation on the Liberal and Country parties and their respective power bases, on rural society and the rural crisis, and on the press; the main metropolitan dailies are read in Peking: indeed, some of us were asked if there was not a newspaper which reflected an A.L.P. point of view. They also talked freely about their personal backgrounds and careers, and their impressions of foreign countries gained during postings abroad. To talk about the Chinese

in this way is not intended as an insult to their essential humanity, but it is unfortunately necessary to underline the point that they have a very real view of the world, particularly in the Australian context, where in 1971 Mr McMahon could still remark that he could not get any common sense out of the Chinese—a remark which has political antecedents in the idea that the Chinese were somehow other-world, less than normal by white European standards, or ‘inscrutable’, a term actually used by McMahon. As Whitlam commented:

All I can say is that it is very easy to get a great deal of sense from any men here with whom one is prepared to deal frankly and seriously . . . In specifics and details I have found the Chinese as frank and realistic as any officials I have spoken to in any country in the world, and better informed about Australia than most.³⁹

The point is that the experience of the A.L.P., and of many recent visitors to China, demonstrates the possibility of significant interaction between the Chinese Government and non-communist powers. Some diplomatic missions in Peking would argue that they do not have as much contact with Chinese officials in months as the A.L.P. delegation had in days; nonetheless, the working relationship established by the A.L.P. indicates that where the right level can be struck, as it was, for example, by the Canadian Trade Minister, it is more than possible to have normal relations, with genuine communication and fruitful exchange, with the further implication, undreamt of by most Australians, that it may be possible to influence the attitudes of the Chinese Government. This has, of course, been apparent to some governments for a long time. For Australia, it is the most compelling argument for the establishment of diplomatic relations.

III

China's Foreign Policy and the Small Powers⁴⁰

The trend of Chinese diplomacy in 1971 should not have come as a surprise. It can be traced back to the end of 1967, and by mid-1969 it was already possible to anticipate a change in Sino-U.S. relations. In late 1967 Chinese foreign policy emerged from the Cultural Revolution, from a period in which factions who now stand condemned as ultra-leftists had usurped control of the Foreign Ministry and spread havoc among China's foreign relations and among diplomatic missions in Peking. China's foreign relations had deteriorated to such an extent that even friends had been alienated, so there was at the very least a necessity to mend some fences, a process which began in a small way at the end of 1967 and continued quietly throughout 1968.

China also faced more threatening problems. The war was still raging in Vietnam, and was subsequently to be escalated into Cambodia. And despite China's belief in the justice and the ultimate victory of the Indo-Chinese peoples' fight against the U.S., one calculation it had to make was that the situation contained a potential threat to China from the U.S. In the north, China's relations with the Soviet Union had fallen to an all-time low. There were sporadic clashes on the border which in March 1969 erupted into large-scale fighting. The Chinese feared that the Russians, impelled by the 'doctrine of limited sovereignty' with which they had justified the invasion of Czechoslovakia, were planning a full-scale attack in the hope that this would precipitate a further crisis in the delicate situation in Peking and produce a new pro-Moscow leadership. This fear seemed to have some justification. It was on this score that China began moving some of its industry into the hinterland and began construction of the air-raid shelters which are now to be seen in China's cities. In mid-1969, the Russians issued their call for a new Asian collective security agreement, a direct challenge to China's position in Asia and, despite Moscow's denials, motivated in part by an idea of setting up a new China-containment policy in Asia. To the east, China watched with alarm what it perceived as signs of a resurgence of Japanese militarism, and believed it found confirmation of the anti-China direction of this militarism in Sato's November 1969 declaration about Taiwan, South Korea and the security of Japan. More alarming to Peking were the signs of growing co-operation between Moscow and Tokyo. On all fronts, China seemed at a very serious disadvantage.

Under the guiding hand of Chou En-lai, China set out to extricate itself from this extremely dangerous position by strengthening some existing ties and seeking to establish new ones, aiming at the countries which supported non-recognition and also at the U.S. itself. China did not take the initiative, but let it be known that it would be receptive to overtures from other countries. The move by Canada was a windfall, enabling the whole process to be set in motion. But China was also active on other fronts, and when the formal channel of communication with the U.S. was reactivated in Warsaw and then suspended by the Chinese after the invasion of Cambodia, talks continued in other capitals, a move which may well have been calculated by the Chinese as a means of removing its contacts with the U.S. to more private, and secure, settings. When the general offensive began to drag, China gave it a push along by the table tennis invitations and such gestures as the despatch of Red Cross relief to Malaysia. The immediate objective of this diplomatic activity was to

break the U.S. circle of containment and to establish a position in which China, and not the U.S., would determine the kind of relationships it would have with the world, particularly, but not exclusively, with Asia.

There had, in fact, been no fundamental change in the objectives of Chinese foreign policy, although this was believed to be the case, partly because of the contrast with the extremism of the Cultural Revolution and the more militant tactics of the early 1960s before the Cultural Revolution, but mainly because Chinese objectives had never been as the United States camp perceived them to be. Moreover, this was not the first time China had attempted such a *démarche*; it was simply that it had failed on every previous occasion, largely because of the hostility of the United States. On this occasion, however, a large number of non-recognising countries were prepared to respond, including the U.S., underlining the point that the real change which has occurred is not so much in China but in the attitudes towards China of the international anti-China lobby.

By 1971, China's longer term diplomatic objectives had become clear. Contrary to the 'inscrutable' theory of Chinese foreign policy, China's view of what is happening in the world coincides closely with the view of most other countries, although China differs on the interpretation of this situation and the perception of its own role. Seeing the emergence of a new global balance of power, in which the Chinese include Japan and Western Europe as well as Russia, America and China, Peking is seeking to establish itself in a position where it can manoeuvre within the balance, which it sees apparently as operating on lines somewhat similar to the nineteenth century European balance of power. For this reason, it is important to have some kind of de facto normalisation of relations with Washington, which can act as a counterbalance to Moscow even before the solution of the outstanding problems between China and America. Similarly the Chinese have agreed to the resumption of state relations with the Soviet Union, they are strengthening ties with Western Europe and parts of Eastern Europe, and they appear to want progress towards normalisation of relations with Japan, if this can be managed.

China would prefer the balance to be open, that is excluding formal alliances, which not only limit freedom of action but on a global scale in the nuclear age represent too great an agglomeration of power. This is one reason why they have been attacking the Washington-Tokyo relationship and why they oppose a too cosy relationship between Tokyo and Moscow. It is also difficult to see China itself entering into a formal alliance with any one of the powers at this stage. China expects that there will be competition, and harbours no illusions about the United States, but it

seems to be thinking of the balance in terms of coexistence, and having itself renounced any intention of being the first to use nuclear weapons has called on the U.S. and the Soviet Union to do the same. China appears to believe that Western Europe and the U.S. are prepared to operate along the lines preferred by China. It does not believe this to be the case with the Soviet Union or Japan, although in the case of Japan, the Chinese apparently believe there is still an opportunity to persuade the Japanese to China's way of thinking, and this is part of the reason why so much of their current diplomacy is concerned with Japan.

There is no doubt that the Chinese believe in the case they are presenting about Japan, as do some other countries which experienced Japanese occupation. That is, China's historical experience reinforces its view of the evidence of militarist revival. But in terms of their current global strategy, the Chinese are also deliberately anticipating a little, even in terms of their own firm beliefs about Japan. In other words the offensive is to some extent pre-emptive, in the hope that Japanese and world opinion might be mobilised to prevent the forces of military revival from developing.

In the context of the new global balance, China has important reasons for seeking relations with the majority of the world's small and middle powers, and in fact this is where the main emphasis of its diplomacy lies, rather than on the balance itself. First, there is the fact that China does not see itself as sharing the same interests as the super powers. It certainly wants its place in the balance, as its prior insistence on the restoration of its right to the permanent seat in the Security Council indicates. But it identifies its own interests with the small and middle powers, and believes that by taking its place among the great powers it will be able to represent and champion these interests against the exclusive interests of the world's most powerful states. For example, China has long been arguing that the U.S. and the U.S.S.R. should not be permitted to make private arrangements on matters which affect the future of mankind, such as nuclear arms control, and then simply expect the world to ratify them. By adopting a great power role, China hopes to break up this kind of arrangement. It is also partly on this ground that China justifies its own nuclear program, arguing that it will break the nuclear monopoly and force Moscow and Washington to include China in discussions on nuclear arms control, in which situation China can use its voice on behalf of the smaller powers. Conflicts have already arisen between the two roles—challenge to the super powers within the balance and championship of the smaller powers—but China argues that the challenge must be made if smaller powers are to have any independence

and if the future of mankind is not to be decided in Washington and Moscow, or in the future, Japan.

China's second main reason for wanting state relations with the small and middle powers is that if the balance is not to operate by military confrontation, diplomacy becomes more important, particularly the enlistment of the co-operation of the powers China claims to represent. The support of the international community is essential if China is to achieve its purpose, hence its interest in overtures from countries which hitherto have been extremely antagonistic towards China. China has already been engaged in lobbying for a variety of purposes, notably against Japan, and this kind of activity is likely to continue to be a dominant feature of Chinese diplomacy, directed not only at revolutionary states or the countries of Asia, Africa and Latin America.

China's idea of the balance fits neatly into the U.N. framework, and it is possible that China's admission to the U.N. may have a very positive effect on that body, although much depends on the co-operation of other powers. But the two super powers now accept that China must be included in discussions on major world problems, and if China should insist that such discussion must be brought into the U.N., particularly into the Assembly, one effect of China's presence could be to bring diplomacy into the U.N. The Bangla Desh affair suggests, however, that China still has a long way to go before it could achieve such a purpose.

China's small power diplomacy provides the background to its interest in Australia, partly because this diplomacy will not be at its most effective until China has established relations with most of the world's countries. But China still has to overcome the resistance of those governments which see Peking as the source of revolution in their own countries, whatever theoretical rationalisations may be made in Peking; Malaysia and Thailand, for example, in their first contacts with Chinese representatives sought assurances that China would abandon support for revolutionary movements. China has been seeking, therefore, to drive home the lesson of its differentiated approach to support for foreign revolution. Where ruling governments have been most hostile to China, which includes support for Chiang Kai-shek, China has been most prepared to provide propaganda and encouragement and whatever other limited support seems necessary within the broad principles that revolution must rely on its own efforts and cannot simply be imposed from without, or exported. But where state relations have been close and friendly, China has declined to give even limited support to local revolution. The best example in South-East Asia was Burma, except for the brief period of ultra-leftist control in Peking in 1967 and its aftermath.

China has been making this point in a variety of ways. It restored relations with Burma, and having done so called off its campaign of support for the Burmese Communist Party. Its support for the government of Ceylon against the Ceylonese uprising, while entirely consistent with its practice in Burma, was so prompt and so strong that it seems to have been deliberately calculated with one eye on the possible impact on other Asian countries, the more so since it was even accompanied by substantial financial assistance to the Ceylonese Government. By introducing the term Malaysia into the Chinese media for the first time, in 1971, China seemed to be suggesting that it was prepared to recognise the legitimacy of Malaysia, with further implications in terms of its attitude towards the revolution in Malaysia if relations were established.

At first China seemed to be acting on the same principle in its attitude to Bangla Desh; that is, that its support for the government of Pakistan was determined by a long-standing friendship. But the situation became more complex, and so also did the Chinese attitude. There is no doubt that China was moved by its own national considerations; the strategic situation in the subcontinent, the prospects for trade through Pakistan to the sea raised by the recent opening of the old silk route, the fact that Pakistan had become one of China's most loyal supporters, and the fact that Pakistan was at loggerheads with India, the state that had attacked China in 1962.⁴¹ But in its very first statement on the situation China had presented a diagnosis with wider international ramifications, which subsequently proved correct. In voicing support for the Pakistan Government, China had warned that other countries should not interfere in the East for their own ends. This is not to say that privately China approved of the actions of the Pakistan Government, and it appears that China subsequently put very strong objections to the Pakistanis, through diplomatic channels and to Bhutto when he visited Peking late in 1971. Whatever case the Indian Government may have had, the Bangla Desh situation also provided it with an opportunity to realise a long-cherished Indian ambition, the dismemberment of the state of Pakistan, and this is what China suspected even before the refugee problem arose. Bangla Desh, then, was not as simple as the situation in Ceylon. With the strong backing and encouragement of the Soviet Union, Indian forces achieved their ambition. In so weakening Pakistan, they weakened the position of China in the subcontinent and strengthened the position of the Soviet Union, the further consideration which the Chinese had had in mind from the very beginning. While the great powers were all accused of cynical manoeuvring, the Chinese case deserves a little further exploration. The crisis in the

subcontinent produced first the formal alliance between Delhi and Moscow, and then, through the war, the advancement of Moscow's interests in the subcontinent. This was the first important foothold Moscow had gained in Asia since its call for an Asian collective security agreement. Given China's apprehensions about the anti-China objectives of the Asian collective security idea, and its dedication to promoting the interests of the small and middle powers, the prospect of Moscow advancing into the subcontinent was regarded in Peking with considerable concern for what this might presage in terms of further advances into Asia. Those who rejoiced in India's short-term solution to its own problems and in the subsequent proclamation of independence by the unhappy people of Bangla Desh overlooked the further implications of the shift in Russia's favour. This is not to say that the actions of the Pakistani military were not inexcusable or that the cause of the people of Bangla Desh was not just and worthy of sympathy and support. But that does not mean that the motives of the Indian Government were as pure as the actions of the Pakistan military had been stained, or that the consequent advance of Moscow into Asia was also cause for rejoicing. To the extent that Moscow succeeds in its purpose of extending its influence in a similar manner throughout Asia, this is a development which few could welcome. The introduction of the Sino-Soviet dispute into South, Southeast and East Asia, which is clearly Moscow's purpose, and the brinkmanship with which the Soviet Union has been pursuing its policy towards China, can be to the advantage neither of the states within the region, nor to China, nor to any other outside power which is interested in the independence of the countries in the region and the exclusion from it of great power conflicts. This idea was certainly at the back of the minds of those who make the decisions in Peking. Finally, they might also have rationalised their position on theoretical grounds, in terms of Mao's ideas on the theory of contradictions and the application of this theory to foreign policy. They might argue, although the Chinese have not themselves made this case publicly, that the principal contradiction, the one which must be solved first, was not between the people of Bangla Desh and the Pakistan Government but between Pakistan and India, or more properly between China-Pakistan and the Soviet Union-India. China might well argue that until this contradiction is solved, there can be no future for any independence movement in the eastern part of Pakistan whatever its political coloring.

China found, of course, that the Bangla Desh problem demonstrated dramatically the difficulties of operating its balance of power and small power diplomacy. But if China ever succeeds in setting the process in

motion, according to the rules China itself wants observed, this could prove to the considerable benefit of the small and middle powers. Breaking the bipolar balance, or what the Chinese call breaking the super power monopoly, offers great opportunities for smaller powers to align themselves according to their own interests, but only on issues and not automatically with any one power. One notable beneficiary of the emerging balance has been the Ceylonese Government, which received aid for its failing economy and its anti-insurgent program from all corners of China's five-point balance. Another is Rumania, where Japanese investment has recently been added to relations with the U.S. and Western Europe and Sino-Soviet rivalry. A similar situation may be emerging in Malaysia; it is already possible to see much the same thing in a post-war Vietnam. So long as the great powers are competing in non-military terms for influence among the small and middle powers, this benefit will continue to spread to other countries. China itself appears intent on pursuing this game in diplomatic terms, and although there is always a point beyond which prediction becomes meaningless, there is no immediate prospect of China resorting to offensive war as an instrument of foreign policy in the foreseeable future. China is probably also being a little too optimistic, given the recent actions of some of the other great powers involved in the balance.

IV

The case of Australia

Australia's predicament typifies the problem which to some extent is facing most countries in the Asian and Pacific region, particularly Japan, Thailand and the Philippines, which have been bound so firmly into the U.S. alliance system and have followed closely the U.S. policy on China. The problem is not simply that normalisation of relations with China means breaking the clear line which the U.S. once tried to draw between China and Asia, but that what has happened since late 1970 has destroyed much of the rationale for previous foreign policies, and the China question itself has confronted these countries with the necessity to rethink, not simply their China policies, but the whole range of their foreign policies.

Given that the 'Chinese threat' had been built into such a central position in Australia's Asian and Pacific policy, any significant change in China's position or even in the perception of China's foreign policy objectives was likely to shake the edifice of this policy. In particular, improvements in the relationship between China and the United States would call into question the major part of the 'threat alliance' strategy as it had been conceived; and to the extent that such improvement moved towards meaningful

and friendly relations, Australia would face a choice between complete redirection of foreign policy or being left with a policy which made no sense either in terms of its alliances or in terms of the realities of international politics in the Asian and Pacific region.

The Labor Party was not in this position, not because it was in opposition, but because it rejected the assumption of the 'Chinese threat' central to the Government's foreign policy, and because it had a rather different view of the relationship with the United States. Whitlam himself had been thinking for some time about the possibilities for advancing Australia's interests and playing a more positive role in what he could see as an emerging world balance; and the A.L.P. was opposed to sycophantic dependence on Washington and the Government's apparently fixed notion of basing Australian foreign policy on a single overriding relationship with one great power. Government criticism of Whitlam for being the 'total advocate' of China and conceding 'every single point the Chinese made to him',⁴² reflected, not the truth of what had taken place in Peking, but the Government's incapacity to think of any kind of Australian foreign policy in terms other than the single great power relationship. Just as the Government did in Washington, so also must the A.L.P. be doing in Peking. The A.L.P. believes, however, that Australia should not bind itself unconditionally to any one power, but should seek to have good relations with them all. As Whitlam wrote after he left China: 'One thing is certain. We are not going to be confronted with a choice between China and the United States.'⁴³

The Government was facing a collapse of its foreign policy, but it was apparently unaware of this fact, even up to the time the A.L.P. went to China, when its main concern was still with justifying its own domestic position in relation to the A.L.P. initiative. This is best illustrated by McMahon's comments about Whitlam's interview with Chou, which completely ignored the substance of the exchange and the import of what Chou had to say, and concentrated on attacking Whitlam: 'I doubt if I have ever read such a damaging and irresponsible series of declarations by any political leader in all my time in politics in Australia'; Chou 'committed the Labor leader to a position Australia could never accept and from which Mr Whitlam himself cannot withdraw'; 'In no time at all Chou En-lai had Mr Whitlam on a hook and he played him as a fisherman plays a trout'; Whitlam had insulted 'just about most of our friends and allies in Asia and the Pacific'. McMahon even raised, in 1971, the case of alleged Chinese aggression in Korea, Tibet and India, a case which had been discredited and largely accepted as such even by the United States.⁴⁴

In the same speech, McMahon referred to Chou En-lai's own comments in the interview about the United States, and declared, 'What an impertinence to the leader of the United States, and it is not likely to be forgotten by the American Administration'. The following day it was announced that Dr Kissinger had been in Peking to arrange for President Nixon's visit. McMahon had received half an hour's notice of the communiqué. When caught by reporters at Melbourne airport, he persisted on the party political tack, saying that 'it makes an awful mockery of the man [Whitlam]' and 'an awful farce' of the A.L.P. mission.⁴⁵ Later in the day he held a press conference to which reporters were admitted only after they had agreed not to ask questions.⁴⁶ Whitlam received the news in Tokyo with unconcealed satisfaction in the vindication of his policy. To the achievements of the A.L.P. mission in China he now added another, the fact that as a result of the A.L.P. visit,

Whatever may be the position of the Australian Government, Australia as a nation looks less flatfooted, less ignorant, less obscurantist, less imitative in the light of the United States initiative than she would otherwise have done.⁴⁷

In terms of Australian foreign policy, there were two main implications of the Kissinger visit. First, it demonstrated that Washington's thinking about China had changed to a greater extent than the Australian Government had believed, that the U.S. had taken a major step towards *de facto* normalisation of relations with China, by comparison with which the Australian Government had been standing still. It was true that the U.S. had started behind Australia on trade and travel, but the U.S. had at least been having an intermittent dialogue with China since 1955, and once he started to move, President Nixon had gone further in two years than the Australian Government had in twenty-two, despite its more open policy on private contact with China. Secondly, the visit revealed publicly that the U.S. was not taking Australia into its confidence on the substance of its initiatives or intentions towards China. The ANZUS treaty remained and might still be invoked in the event of an external attack on Australia. But in broader terms, how meaningful was the alliance if the U.S. was making fundamental changes, without informing Australia, on the one issue which had become so central in Australia's approach to the alliance? And how viable was a foreign policy based on a hard-line response to the 'Chinese threat' and an anti-China determinant in approaches to relations with other Asian countries, when a number of the 'threatened' countries were beginning to think that this might not be the answer to the question of living with China, and when Australia's

ally against the 'threat' was rejecting the whole concept as a basis for relations with its own allies or for its own policy towards China?

The result was a loss of purpose and direction in Australian foreign policy. The Government had been toying, for example, with the idea of seeking a closer relationship with the Soviet Union, but in a series of statements it revealed conflicting ideas about how far Moscow could be trusted and how far Australia could go towards a more intimate relationship. It announced withdrawal of its troops from Vietnam, but made no attempt to follow this up by efforts to assist in the search for a settlement. It was left with a policy of bits and pieces, but seemed incapable of striking out in a new direction. McMahon appointed a new Foreign Minister, Nigel Bowen, but this did not herald a new approach to foreign policy. On the contrary, Bowen seemed either to reject the idea that there had been a fundamental change in the world situation or to believe that it could be taken back to the situation which prevailed before the Kissinger visit. In an address in the United States he suggested that it would be to the advantage of the U.S. to support the ruling parties in Australia because A.L.P. foreign policies would be contrary to the interests of the United States. Speaking later in Tokyo, he said that China did not mix politics with trade, an almost unbelievable *gaucherie* particularly in Japan, and one which provoked a protest from Chinese officials, who pointed out that if that was how Australia understood the situation it could not hope to get very far in normalising relations with China. With the wheat sales still not resumed, and the dialogue at a standstill, McMahon sought the assistance of private businessmen, apparently in the belief that private channels could achieve what diplomatic communication could not: progress on the basis of the existing government position. Once more demonstrating their tactical flexibility, the Chinese actually agreed to the suggestion of the businessman-envoy that they invite to China Andrew Peacock, then Minister for the Army. Yet even at this point, Australia undermined its own position by its vote in the U.N., and the Peacock mission was aborted.

The Australian Government may have felt that it could draw encouragement from the U.S. tactics over the U.N. vote, and from belief in its own frequently stated assertion that U.S. policy had simply caught up with Australian policy. 'The President's purpose of normalising relationships with China', said McMahon, 'has been the publicly announced policy of the Australian Government for some time.'⁴⁸ Australia not only co-ordinated its U.N. strategy with the United States and voted accordingly, but it also engaged in some rather unpleasant lobbying in a number of Asian

capitals, exerting pressure on behalf of the United States. What it may not have realised was that it was being used for a rather different purpose. Whether or not Kissinger informed Chou En-lai in July that this would be the strategy, with the certain expectation of the seating of Peking, the lobbying tactics of the U.S. were so overbearing that they were partly responsible for the defeat of the U.S. position, a number of countries registering their protest at Washington's pressures by voting against the U.S. And it was hardly a matter of overriding national urgency that Dr Kissinger should happen to be making his second visit to Peking when the China debate was taking place, although it may have been coincidence that he delayed his departure from Peking, with the result that he was there precisely at the time the U.N. votes were taken. The United States had appeared to fulfil its obligations to Chiang Kai-shek, but it did so in such a way as to ensure the admission of Peking; and if Kissinger had informed Chou En-lai of the strategy, the U.S. may even have scored a few points privately in Peking.⁴⁹

The vote itself was, for Australia, the symbol of the end of an era in its foreign policy. Australia was one of only thirty-five nations which voted against Peking in the final substantive resolution. Ranged against Australia were many of its friends and allies, the majority of its Commonwealth partners, and a great number of the 'threatened' states of Asia, supposed by the Australian Government to share its views about China. Only three Asian nations voted with the U.S. and Australia; even Thailand and Indonesia abstained. Foreign Minister Bowen claimed that China's admission was an objective Australia had promoted. This is technically correct, although if the formula had succeeded it would have ensured, as Australia knew, that Peking stayed out. And while Australia genuinely wanted it to succeed, the U.S. appears to have had different motives. Australia's growing isolation on the China question was further illustrated when the Chinese delegation arrived in the U.N.: where the U.S. delegate made a speech of welcome, Australia sat mute. In view of Chi Peng-fei's remark to Whitlam that Australia's stand in the U.N. was one of the policies which made Australia responsible for the state of relations between the two countries, the fact that Australia went through to the end with Chiang Kai-shek raises doubts about the prospects for *rapprochement*, even if the Government were now to drop support for Chiang Kai-shek. The cancellation of the Peacock mission is one indication that China may not now seriously entertain the idea of diplomatic relations with the Liberal-Country Party Coalition.

The point is that China's diplomacy and the thaw in Sino-U.S. relations

has had, and will continue to have, a profound effect on the whole range of Australian foreign policy and will even have repercussions in domestic Australian politics. In other words, it is not just that China has 'emerged' or 'taken its place in the community of nations', but that it has done so with a quite convulsive effect on world politics and on the politics of Asian and Pacific countries, particularly of those who made up the anti-China front.

It is probably as well for China's neighbours that the events of 1971 have had this effect. For the new situation requires not only that they should make technical changes in their policies, such as the act of recognition of China, but that they should be able to break out of the old patterns of thinking which sustained the old policies, and explore entirely new approaches to their foreign relations, which will enable them to adapt to the new power politics and both protect their own interests in and contribute to the operation of the emerging balance of power. Australian foreign policy, for example, has been shocked and severely shaken. It is now in a somewhat rudderless period of transition, but the very fact that it has been called so seriously into question and thrown into a state of uncertainty means that there is now an opportunity for rethinking basic assumptions.

Whitlam has set forth some of his ideas in three articles published in the *Sunday Australian* while he was in China and in a number of speeches, including his speech to the National Press Club on his return from China, an intelligent and farsighted speech on foreign policy unusual in Australia in recent years. In it he explained in great detail where Australia stands in relation to the problems of China, Japan and the United States. The point of departure for Whitlam's thinking is the opportunities afforded by a turning point in history, one which will be brought more sharply into focus if the war in Indo-China can be brought to an end: 'We have a chance to avoid the mistakes made in 1954; we can make the most of the opportunities again offered after Vietnam which we lost after Korea . . .' The opportunities are for settlement of the problems of the Asian and Pacific region, and the question of China's relations with the region and with the great powers, and for working co-operatively to promote whatever measures may assist these powers to reach accommodation: 'the greatest challenge to western statesmanship in our region . . . now involves the relations between China and Japan'. His argument is that Australia can take constructive measures in trying to make the new balance operate effectively and peacefully, but, at the same time, the foundation for his concern about global problems is an equal concern to develop Australia's relationships with the smaller powers in Asia. He opposes the argument that great powers must always be conceded a dominant influence in the Asian and

Pacific region; he objects to the Australian Government's obsession with great power relationships to the neglect of the smaller neighbours with whom it claims to have more in common. His emphasis is on trying to develop with Asian countries relationships of more reality and substance than exist at present, of mutual respect and identity of interests—frequently against the interventionist interests of the powers. He believes it is necessary to reject the current approach to Asian countries which rests either on fear or on an attitude of patronage, and is convinced that Australia has as much to learn from Asian countries as it has to offer in return by way of technology. To the extent that it would be acceptable to Asian countries, he envisages relationships of equality.

On this basis he sees a far more active role for Australia, one which involves positive initiatives for the solution of the world's problems, the use of diplomacy rather than troops, and mediation rather than confrontation; a foreign policy qualitatively different in style, content and objectives from the present policy.

On the question of China, the difference between the government parties and the Labor Party is that the former have still not gone beyond their struggle to resolve their dilemma on the technical question of recognition to contemplate what sort of relationship they might have with China. On present indications, it would be little more than a formality, since they still seem unable to escape the basic attitudes of suspicion and hostility and objection to the whole idea of a China which is communist and therefore 'the enemy', which have dominated their thinking in the past.

Yet China's foreign policy offers opportunities for non-communist small and middle powers, such as Australia, to work together with Peking, particularly within the United Nations. Australia's interests are by no means automatically identical with those of the United States, or of the Soviet Union or Japan. And although there will certainly be many issues on which Australia will be opposed to China, while China persists with its present foreign policy there will also be many issues on which it will be more to Australia's advantage to co-operate with China and even support and lobby for its initiatives in the United Nations. While there is considerable value in having a good relationship with Peking, this need not be to the detriment of relations with Washington, which could be substantially improved by the exercise of a little independence which, as the Canadian example shows, can be more valuable to the alliance than an attitude of total subservience. And it is, of course, just as important for Australia to continue its close relationships with Washington and Tokyo and to strengthen its position in Moscow, as it is to have good relations

with Peking. It will take a long time for Australia to overcome the disadvantage it has brought on itself in relations with China; a change of government, still less a change in policy by the present government, is unlikely to result immediately in a dramatic change in the foundations of Australia-China relations. But it is possible to conceive of a situation at the end of the 1970s in which Australia might have a relationship of mutual confidence and respect and even some warmth with China, in which the two countries may from time to time act in concert for the pursuit of common goals. Australia should now be working towards such an objective. It can always retreat if circumstances should change, but only by taking this as an ultimate aim can it hope to get any value at all out of its relations with China.

- ¹ Statement in the House of Representatives. Commonwealth of Australia, *Parliamentary Debates*, House of Representatives, 17 August 1971, p. 23 (henceforth *C.P.D.*).
- ² *The Age* (Melbourne), 7 and 14 July 1971.
- ³ See the author's forthcoming book on China and Australia to be published by Penguin Books (Australia). See also Gregory Clark, 'Australia versus China', in his *In Fear of China* (Melbourne, 1967), and Henry S. Albinski, *Australian Policies and Attitudes towards China* (Princeton, 1965).
- ⁴ See statement by Prime Minister Menzies announcing the commitment of Australian combat troops to Vietnam in response to the 'downward thrust' of China between the Indian and Pacific Oceans. *C.P.D.*, Vol. H. of R. 45, 29 April 1965, p. 1061. See also a statement by Menzies' successor, Harold Holt, on 8 March 1966: 'This is no civil war. It is the principal present manifestation of the expansionist activities of Communist China.' *Current Notes on International Affairs* (Canberra, Department of External Affairs, March 1966), p. 109.
- ⁵ *The Australian* (Sydney), 16 July 1971.
- ⁶ Address to the Victorian Liberal Party, *The Age*, 13 July 1971.
- ⁷ *Ibid.*
- ⁸ *The Australian*, 20 August 1971.
- ⁹ There were subsequent variations in the recognition formula, the most significant being that countries which had not had diplomatic relations with the Chinese Nationalists on Taiwan made no mention of Taiwan and simply recognised the government in Peking as the government of the entire Chinese people. New terms recently proposed by Peking call for a more positive endorsement of China's claim to Taiwan from the more 'hostile' governments.
- ¹⁰ *The Advertiser* (Adelaide), 24 June 1969.
- ¹¹ *The Canberra Times*, 7 November 1970.
- ¹² Transcript of television interview, on Station HSV Channel 7, Melbourne, 7 February 1971; see also a repetition of this statement in *The Canberra Times*,

- 9 April 1971.
- ¹³ Prime Minister McMahon, in reply to question by Whitlam, *C.P.D.* (H. of R.), 6 April 1971, p. 1462, with further clarification, *ibid.*, 7 April 1971, pp. 1549 and 1557.
 - ¹⁴ Patterson raised the question of the bugging of the Bank of China in May (*ibid.*, 5 May 1971, p. 2549), and of the Hong Kong riots in April (*ibid.*, 21 April 1971, p. 1775). He challenged the Government to deny the claims, which it has so far failed to do.
 - ¹⁵ The newly-appointed Foreign Minister, Leslie Bury, had made some reference to China in a statement in the House the previous week, but his remarks, while 'neutral' by Government standards, hardly constituted a major statement on China policy. For a discussion of the background to these statements see Stephen FitzGerald, 'Australia's China Problem: Self-Imposed Isolation', *Meanjin Quarterly*, vol. 30, no. 2, June 1971.
 - ¹⁶ *The Age*, 21 June 1966.
 - ¹⁷ Press Release, issued 11 May 1971.
 - ¹⁸ Statement by McMahon in interview with Allan Barnes, *The Age*, 11 May 1971.
 - ¹⁹ The journalists were Kenneth Randall for *The Australian*, David Barnett for the Australian Associated Press, a three-member television crew from the Australian Broadcasting Commission led by Phillip Koch, Eric Walsh for the *Financial Review* and the *National Times*, John Stubbs for the *Sydney Morning Herald*, Allan Barnes for the *Melbourne Age*, and Laurie Oakes for the *Melbourne Sun*. Dr Ross Terrill, who was visiting China and writing for the *Washington Post* and the *Atlantic Monthly* and the Sydney publication *Nation*, joined the press team in Peking.
 - ²⁰ *The Sun* (Melbourne), 7 July 1971.
 - ²¹ Statement in the House of Representatives, 17 August 1971, *op. cit.*, p. 25.
 - ²² *The Age*, 28 May 1971.
 - ²³ *Sydney Morning Herald*, 5 July 1971.
 - ²⁴ Text of address to Victorian State Council of the Liberal Party, 28 July 1971.
 - ²⁵ Statement in the House of Representatives, 17 August

1971, op. cit., p. 25.

26 These principles are:

'In providing economic and technical aid to other countries, the Chinese Government strictly abides by the following eight principles:

'First, the Chinese Government always bases itself on the principle of equality and mutual benefit in providing aid to other countries. It never regards such aid as a kind of unilateral alms but as something mutual.

'Second, in providing aid to other countries, the Chinese Government strictly respects the sovereignty of the recipient countries, and never attaches any conditions or asks for any privileges.

'Third, China provides economic aid in the form of interest-free or low-interest loans and extends the time limit for the repayment when necessary so as to lighten the burden of the recipient countries as far as possible.

'Fourth, in providing aid to other countries, the purpose of the Chinese Government is not to make the recipient countries dependent on China but to help them embark step by step on the road of self-reliance and independent economic development.

'Fifth, the Chinese Government tries its best to help the recipient countries build projects which require less investment while yielding quicker results, so that the recipient governments may increase their income and accumulate capital.

'Sixth, the Chinese Government provides the best-quality equipment and material of its own manufacture at international market prices. If the equipment and material provided by the Chinese Government are not up to the agreed specifications and quality, the Chinese Government undertakes to replace them.

'Seventh, in giving any particular technical assistance, the Chinese Government will see to it that the personnel of the recipient country fully master such technique.

'Eighth, the experts dispatched by China to help in construction in the recipient countries will have the same standard of living as the experts of the recipient country. The Chinese experts are not allowed to make any special

- demands or enjoy any special amenities.'
- 27 These are that China should maintain its own independence, keep the initiative in its own hands, strive to be self-reliant and to build China diligently and frugally. These are stated to be in accordance with the principles of equality and mutual benefit, to conform with the interests of other countries and embody respect for the sovereignty of other countries.
 - 28 *Jen-min-jih-pao* [*People's Daily*], 3 July 1971.
 - 29 McMahon, statement in the House of Representatives, 17 August 1971, op. cit., p. 25.
 - 30 *The Age*, 13 July 1971.
 - 31 The delegation itself did not take notes during the interview. This account is based on transcripts and tape recordings made by the press and checked against my own notes made after the interview in consultation with the members of the delegation and the press. There were significant inaccuracies in most of the accounts published in the Australian press.
 - 32 'Impressions of China's New Diplomacy: The Australian Experience', *China Quarterly*, no. 48, October-December 1971, and 'The Bogey-Man Vanishes', *Far Eastern Economic Review*, 11 September 1971.
 - 33 Address to the Institute of International Affairs, Townsville, 25 September 1971.
 - 34 Ibid.
 - 35 For accounts of the Kuomintang in Taiwan, see, for example, George H. Kerr, *Formosa Betrayed* (London, 1966), Maurice Meisner, 'The Development of Formosan Nationalism', *China Quarterly*, no. 15, July-September 1963, and Stephen FitzGerald's two-part article in *The Australian*, 16, 17 March 1967.
 - 36 Address to the Institute of International Affairs, Townsville.
 - 37 *The Age*, 17 July 1971.
 - 38 Address to the Institute of International Affairs, Townsville.
 - 39 *The Sunday Australian*, 11 July 1971.
 - 40 This account of Chinese foreign policy is not derived from the A.L.P. visit, although that did provide invaluable

- insights. For an earlier account, written in mid-1970, see Stephen FitzGerald, 'China in the next decade: an end to isolation?', *Australian Journal of Politics and History*, vol. XVII, no. 1, April 1971.
- ⁴¹ For reappraisals of the Indian version of the India-China conflict, see Clark, *In Fear of China*, and Neville Maxwell, *India's China War* (London, 1971).
- ⁴² McMahon, statement in the House of Representatives, 17 August 1971, op. cit., p. 25.
- ⁴³ *The Sunday Australian*, 18 July 1971.
- ⁴⁴ *The Age*, 13 July 1971. Reappraisal of China's past record in foreign policy is to be found in a wide variety of recent literature, particularly in the United States, but for a general description of the new 'consensus' on this subject see the article by A. Doak Barnett, 'A Nuclear China and U.S. Arms Policy', *Foreign Affairs*, vol. 48, no. 3, April 1970. This consensus has permeated to recent issues of *The Reader's Digest*.
- ⁴⁵ *Sydney Morning Herald*, 17 July 1971.
- ⁴⁶ *The Age*, 17 July 1971.
- ⁴⁷ Address to the National Press Club, 26 July 1971.
- ⁴⁸ *The Age*, 17 July 1971.
- ⁴⁹ As this paper goes to press, confirmation of this interpretation of the Nixon/Kissinger U.N. strategy has appeared in Ross Terrill's *800,000,000. The Real China* (Boston, 1972), pp. 156-9.

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