

Ear to Asia podcast

Title: Kevin Rudd on China's place in a post-pandemic world

Description: Special guest former Australian Prime Minister Kevin Rudd joins host Ali Moore to discuss a post Covid-19 world marked by an increasingly assertive China and anaemic US leadership. Will growing Sino-American tensions result in a new cold war? And what's the future for the global institutions responsible for maintaining world order? Kevin Rudd is President of the Asia Society Policy Institute and a China watcher of more than four decades. An Asia Institute podcast. Produced and edited by profactual.com. Music by audionautix.com. Photo by Elsa Ruiz of Asia Society.

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Voiceover: The Ear to Asia podcast is made available on the Jakarta Post platform under agreement between the Jakarta Post and the University of Melbourne.

Ali Moore: Hello, I'm Ali Moore. This is Ear to Asia.

Kevin Rudd: Why didn't you close down your wet markets after the SARS crisis of 2003? Why did your local officials fail to act on this early enough? And why did you not notify the World Health Organisation earlier? These are the core areas of China's vulnerability, but the American overreach, I think has to some extent, exonerated China from being fully accountable on those questions.

Ali Moore: In this episode, China's place in a post pandemic world order. Ear to Asia is the podcast from Asia Institute, the Asia research specialists at the University of Melbourne. Under Xi Jinping's leadership China is increasingly asserting itself on the global stage. Xi's grand vision for a great and glorious China includes the planet spanning belt and road initiative, a blue water navy, and territorial expansion in the South China sea.

The Trump administration treats Beijing's ambitions as a threat to US dominance. And while the start of the year so the first phase of a trade deal between the two countries, the US president is now increasing the economic pressure on China as Donald Trump campaigns for reelection, with an escalating blame Beijing policy. At the same time, the White House has been pulling out of international agreements and defunding global agencies leading to a more anaemic US global leadership.

So do the increasing tensions between China and the US have the makings of a new cold war as some have suggested. What's the future for the global institutions set up after the Second World War as China's power continues to grow and Trump opts to look inwards. And where does this new world order leave Australia a longtime ally of the United States, but economically dependent on China.

To answer these questions and give us his prognosis for a post pandemic world is the Honourable Kevin Rudd, the 26th prime minister of Australia, President of the Asia Society Policy Institute, Mandarin speaker, and keen observer of China for more than four decades. And more recently, a PhD student at Oxford University looking at Xi Jinping's worldview. I caught up with Kevin Rudd on Zoom. Kevin Rudd we are delighted to have you on Ear to Asia. Welcome.

Kevin Rudd: Thanks for having me on the programme.

Ali Moore: From a geopolitical perspective, how do you think China is handling its role in this pandemic from source of infection to medical diplomacy, to the so-called wolf warriors of Beijing?

Kevin Rudd: The answer to the question depends a little about whether we're looking at this as a short term phenomenon or as part of a long term, let's call it structural strategy. A comment or two about the latter first. China has been playing a long game since Deng Xiaoping. Reform and opening, economic development to increase not just Chinese living standards, but also to increase the power of the Chinese state. And throughout that period, you see, not just under Xi Jinping, but to some extent under Jiang Zemin. More so under Hu Jintao, a greater Chinese confidence in its power.

To use the Chinese term, it's comprehensive national power when measured against United States and other regional competitors. And so this long process we've seen over several decades has been China developing national wealth, national power, a stronger Chinese state.

And then we arrive at this period under the Trump administration, where China really over the last decade has consciously embarked upon a more assertive foreign policy and international security policy. I think that's the background.

So within that frame, how has China handled the current COVID crisis. To which my best answer would be what it reveals about Chinese strategy is that number one, the initial preoccupation in January, February, March, was to ensure that the crisis, domestically, did not undermine the legitimacy of the regime. It was a huge amount of effort and go on into the domestic readjustment of the political narratives.

Take one case study the famous Dr. Li Wenliang. One day vilified by the public security apparatus in Wuhan, the next day a hero of the Chinese Communist Party. As whistleblower became a national public icon.

On the international messaging of China's handling of COVID-19. It began as a damage control exercise which China knew because they're full of hard heads, that the virus having originated in Wuhan was having a huge impact globally. And not just among its strategic adversaries, but amongst its strategic friends and allies, the Iranians, the Russians, developing Africa, Latin America, et cetera.

And so COVID diplomacy's swung into gear. How has it gone in terms of China's at-scale delivery of face masks and ventilators around the world? It's had an effect, but I don't think it's fundamentally shifted the narrative in many countries that the virus came from China and the Chinese system failed to manage it domestically. On the let's call it the broader Chinese more offensive messaging against the United States that began defensively when the United States, I think, launched a destructive campaign based not on fact, as far as we know it anyway, that this virus somehow came out of a Chinese laboratory in Wuhan either deliberately or accidentally.

And then in response to that, the Chinese then doubled down on their counter attacks on the United States. How effectively is that gone? More effectively, I think, than the other responses which China has delivered, primarily because the American

core narrative was just classic political overreach. It didn't match the facts and rather than prosecuted campaign in relation to China on why didn't you close down your wet markets after the SARS crisis of 2003? Why did your local officials fail to act on this early enough? And why did you not notify the World Health Organisation earlier? These are the core areas of China's vulnerability, but the American overreach, I think has to some extent, exonerated China from being fully accountable on those questions. So the net answer to your question is a mixed report card, but China's long-term strategy that I began talking about, Ali, remains in force and remains under implementation.

Ali Moore: And I want to get back to that long-term strategy, but just in terms of, I suppose, the international perspective, and you talked about the US-China reaction and China starting there defensively. But this aggression or this adversarial nature that China is showing, it's not just been directed at the US. I mean, there's been threats to trade with China, or you can look at the verbal attacks on various European governments. Why do you think China's been so aggressive?

Kevin Rudd: I think there are two core reasons for that. One is structural, and that is China is now much bigger economically, militarily and technologically. Look at Huawei and 5G for example. Back in Deng Xiaoping's day, 40 years ago when this current period of reform and opening and economic development began, it's worth remembering that China's economy in aggregate terms was no bigger than Australia's. Now it's the second largest economy in the world and about to challenge the United States to be the largest, similarly with the military.

So China now has, as I was saying earlier in our discussion, more national capacity. The second reason has to do with a change in leadership style under Xi Jinping. Well, there's a critical meeting, which I've often referred to in the things I've written on this subject, which occurred at the end of 2013, going by the dreadful title of the Central Work Conference on Foreign Affairs of the Party Centre. There you go, rolls neatly off the tongue.

But the bottom line is that's when Deng Xiaoping's previous tactic of "hide your strength, bide your time, never take the lead" was actually formally abandoned and a new strategy of a more assertive Chinese foreign security policy occurred. And what we've seen over the last seven years is the manifestation of that. Why have they done that under Xi Jinping's leadership? I think because A, he believes he can, whereas in the past, China couldn't really, at least not effectively. And B, I think there's another key underlining reason is that when it comes to Chinese territorial claims in East Asia, South China sea, East China sea, Taiwan, et cetera, domestic security challenges, Xinjiang and Tibet, his view is that he does not want to allow any of these to drift away from China's control. And therefore his predisposition, consistent attitude to politics, domestically is to double down with hard measures. I think that's the first measure.

The second in terms of global institutions is along these lines, that China historically has been a price taker in terms of global norms, established for the global system as a consequence of the postwar order established in '44, '45. In other words, what's called loosely the liberal international order.

And rather than China, in Xi Jinping's mind, being on the receiving end of these norms and having to defend itself against human rights abuse, charges, et cetera. What the Chinese have done is decided to go on the offensive. And with each of these global institutions, to take them on, to seek election to their governing bodies, to seek to become the head of a number of these institutions. And on top of that incrementally to change their focus, their work style, their resource dependency as well as the underlying assumptions, which have characterised let's call it the American order post '45.

Ali Moore: And with the doubling down with hard measures, as you put it, we can look at the new security law in Hong Kong, the increased military activity around Taiwan, the sinking of the Vietnamese fishing trawler, the ongoing standoff with Indian forces in the Himalayas. It's interesting that Chris Patton, Britain's last governor in Hong Kong, says Xi Jinping is whipping up nationalist feeling because "he is more nervous than any official would allow about the position of the Communist Party." Is he right?

Kevin Rudd: Well, I'm not in the business of endorsing or not endorsing what former governor Chris Patton has to say. I'll just give you my own analysis, which is that the post-COVID politics of China is complex. And I've written about this over the last couple of months. Anyone who thinks it's representative triumph of Xi Jinping's personal leadership style knows very little about Chinese domestic political analysis.

Chinese social media erupted negatively against the regime in January, February, March. In the lead up to the postponed National People's Congress just concluded in the end of May, we've seen a number of leaked documents from the party centre reflecting various levels of dissent with Xi Jinping decision making content and style. And in fact his leadership itself. So there are ruptures and ructions underway. And as someone who was originally trained back in the Mesolithic period – that was a joke by the way, it's more likely to be the Palaeolithic in my case, – in domestic China Politburo analysis, it's one of the most opaque sciences known to the Academy and to the intelligence community. But in my judgement there are some rumblings about Xi Jinping's leadership, not at this stage decisive, but nonetheless they exist.

Secondly, on the nationalist element of Xi Jinping's posture that preceded the current crisis and continues through this crisis. It is not as if nationalism has just erupted in Xi Jinping's leadership style as a consequence of COVID related domestic difficulties. But where we do see clear patterns emerge is that China has sent a clarion-clear message to the international system of don't mess with me, you might think we've been weakened or distracted by COVID-19, but we will continue to assert forcefully, brutally if necessary, our Leninist state interests. And that includes the Hong Kong national security law. That includes a further assertion of our claims in the South China sea. That includes new language on the possibility of the use of military force against Taiwan for reunification. And as you correctly point out the recent and for many of us an explicable eruption of border tensions with India.

Ali Moore: The rumblings about Xi Jinping's leadership, but you've made the point very clearly that under Xi there's been, these are your words, "a concentration of power to the point where he's no longer first among equals, but just first." To what extent does that consolidation of power make Xi vulnerable? Leaves him exposed to being responsible for mistakes?

Kevin Rudd: Well, the funny odd thing about Chinese politics is that part of the tradition, which informs it is classical and Confucian and Chinese, and the other part of it is Marxist and dialectical. And so on the dialectical element of that which is about the interaction of cause and effect, the interplay of opposite forces, and in the case of political leaders or political movements, always seeking to be ahead of the historical cycle, not following it. Xi Jinping describes himself internally as a master dialectician. And so why do I say that in answer to your question? He's always on the lookout for what happens next in Chinese society, the economy, politics, including threats to him personally, as well as applying this kind of dialectical approach to China's place in the world. That is what is China doing at present? Where are the forces of reaction to China or him personally coming from? And how do I, China, or how do I, Xi Jinping, get ahead of the pace?

Now, as far as he himself is concerned you have seen a consummate application of Machiavellian statecraft by him in the internal politics of China after he became general secretary of the end of 2012. The anti-corruption campaign served an ideological purpose because corruption had moved from what I described as retail levels to industrial levels in the previous period of Hu Jintao. And Xi Jinping correctly identified this is a threat to party legitimacy.

But Xi Jinping also saw this as an opportunity to clean up and out his political opponents, which he has done ruthlessly across the entire Chinese system. So therefore, his ability to identify early where political threats come from internally, and how to isolate and then deal with them. There are many, many as it were scalps hanging on the mantel piece. So it would take a very brave set of individuals to organise an action against him.

But having said that, the leadership question for China comes to a head again as we move towards the 20th party Congress in 2022. The centenary of the party – Communist Party – is in 2021, a huge anniversary in terms of party legitimacy. And having just blown the economy to bits in 2020 out of COVID-19, Xi Jinping's China Dream is looking a little ratty and in disrepair.

So the normal processes of deciding whether Xi Jinping gets a third term or not, as it opens up as a process in the next year or two, is likely to be infinitely more contested now because of COVID and because of the softening of the domestic economy, and because of reactions to the politically repressive nature of the way he's conducted the internal governmental arrangements of the Chinese Communist Party over the last seven years.

Ali Moore: Contested, but do you see any real threat to Xi Jinping?

Kevin Rudd: The world is littered with inaccurate predictions about the outcome of politburo dynamics in authoritarian states. I do not intend to become one such carcass. But let me make this observation. What we can tell is that the current composition of the standing committee of the politburo, seven members, the expanded politburo of 25 members. These represent a majority of Xi Jinping supporters, but they represent a plurality. It does not represent unanimity. And there are other traditions, and shall we say leadership factions that are represented there as well. The other traditions being more liberal reformers on the one hand. Alternatively, there's also another conservative group within the Chinese party centre who don't question Xi Jinping's

strategic objectives, but they do question the extent to which tactically he's managed the challenges well, for example, by bringing on a reaction from the United States of the type we've seen under the Trump administration earlier than China would have wished under normal circumstances.

And so how do these forces play out over the next year or two? I'm not sure. On the balance of current probabilities, I would say given his phenomenal Machiavellian state craft, his ability to wheel together the coalition necessary to secure his reelection is probably still in place. But I think, as I said before is going to be more contested than we thought. Is there a possibility he won't get there? Yes. Is it a probability? No. What's the level of that probability? Three or four out of 10, if I was putting some numbers around it.

Ali Moore: Against that background of the system in China. If we can just look at this question of China's culpability for the pandemic. And it's a fascinating question of how you investigate this. And I know that you've called for the UN Secretary General to put together a high level panel of both Chinese and non-Chinese scientists. The world health assembly has now voted in favour of what was essentially a European resolution to have its investigation. But how optimistic are you that China will lay its internal processes to bare for the world to see?

Kevin Rudd: "Not" is my answer to your question.

Ali Moore: And if they don't, how can we ever know the real facts around whether there was a delay in reporting this, whether it was handled appropriately, whether the world could have been warned?

Kevin Rudd: I think the answer to that is we may well not. The reason why I've advocated at UN Secretary General convening a high level panel for this purpose comprised of scientists, both Chinese and non-Chinese is to A, at one level de-politicise it in terms of the US-China divide. But B, I do not believe at this stage, based on the evidence available, that there was Chinese malice involved that is through the deliberate or even accidental leak from a Chinese research laboratory. But that it was a series of, to use the technical term in Australian political science, stuff ups. But these stuff ups actually caused, therefore, a cumulative loss of face for China and for their political system domestically and reputationally in the international community. The great song and dance routine, which Prime Minister Morrison engaged in, in his domestic exercise of high level, hairy chestedness recently, which is to call for a full global transparent international investigation into what China got wrong.

Well, that's a great media statement for Australian domestic political consumption. However, it failed two tests. One, it was not pre-baked with any other government in the world to be a genuine multilateral initiative put forward by 10 or 20 nation States. And two, it failed to answer the very basic question and what is the mechanism? So as a result it went nowhere, but to save face the Australian government, then at five minutes to midnight latched onto the preexisting much weaker European Union resolution, and then a gullible Australian media bought this as some great Australian sort of diplomatic triumph. Well, pigs might fly.

But the net outcome of all this, if you look at the terms of the world health assembly resolution and the operative clauses, which go to, what's going to be investigated.

You have to take a pretty adventurous interpretation of the operational clauses to say that this will be a fully robust and independent investigation into origins, transmission, and early notification by the Chinese system. I don't think that will be actually permitted under these terms of reference. And secondly, it instead focuses on the WHO investigating WHO about whether WHO did its job. So I'm not sure we're actually going to get in the immediate term to the bottom of this for reasons of Chinese official secrecy and for reasons of, shall I say a lack of confidence in the machinery which is put forward to undertake this investigation in the first place.

Ali Moore: So how does the world return to any sense of normalcy without knowing what happened?

Kevin Rudd: Well, that is a core question. I don't have a ready answer to that because as I've said repeatedly to Chinese friends and colleagues, the international community has a bunch of legitimate questions here, which has got nothing to do with China's geopolitical relationship with the United States. You've got 6 million people infected around the world and you've got at this present \$9 trillion worth of economic damage. At least as you measure that in terms of the quantum of global stimulus, which has now been deployed to re-staff the global economy. And so people are going to ask China, well, what actually happened here?

I think this is contested deeply within the Chinese system about how best to respond. What was agreed to with the WHO and the WHA, I think represented some success on the part of the liberal reformers to a group within the Chinese leadership to say that China needs to deliver some answers to the international community. But if it really does touch on core questions of competency and/or secrecy of the Chinese party state, then I think we're going to be waiting until the archives are opened in 100 years' time.

Ali Moore: Indeed, that might even prove optimistic, I guess, 100 years. I want to have a look at the US, China relationship specifically, but you brought up Australia and Scott Morrison and how they handled that whole call for an investigation. And I guess in many ways, that episode goes to the heart of the challenge for many governments, which is how do you deal with an increasingly assertive China, and for countries like Australia, how do you share a strong interdependent economic relationship with a country that doesn't share your values? How do you get that balance right?

Kevin Rudd: I think you do two sets of things under, if any of your listeners listening to this podcast are interested, I gave focused speech on this when I launched Peter Hartcher recent quarterly essay on Australia-China at Parliament House, Canberra, last November. It's on my own website if anyone's interested. But let me just give you sort of the two point summary. One is in our private and public dealings with the Chinese leadership, what is required is consistency about our own core interests and core values. In my experience with dealing with Chinese leaders, it was along these lines. One, we Australians are allies of the United States and comrades – that ain't going to change. There's a lot of history to this, including World War II. And whereas you Chinese don't like that, we're never going to change.

Number two, we're also a robust liberal democracy, proudly so, that's our identity and that's not going to change. And we know you don't like that, but we also believe in universal values and universal given rights.

Number three, within the constraints of one and two, we have a whole bunch of mutual economic interests, which we should prosecute to the full. Let's identify those and maximise them.

Number four, we also share common interests. So with the Chinese, in terms of various projects in global governance, whether it's international climate change action, whether it's global financial management through G20 or now whether it's impacts through global pandemic management. And that we should make no apology for collaborating with China as closely as is practically possible. Those to me strike me as the four basic principles. It'd be useful if Australian governments applied them consistently, unemotionally, rationally, operationally, to what they do on China rather than bouncing around the place, depending on what headline appears on the front page of the Australian on a Saturday morning.

The second principle is, how do I put this delicately? It pays to hunt in packs. That is one of the problems with the idiot Morrison's proposal was that it was once again, a classic Liberal Party thought bubble about "global inquiry into the Chinese origins of the virus" without bringing, as I said, 10 to 20 other mainstream States with you. That's called diplomacy. That's what you do. And so therefore the way in which you prosecuted interests and values with the Chinese where you have conflicts or disagreements with the Chinese is not to play Robinson Crusoe. But to actually work in closest collaboration with other States like Germany, France, United Kingdom, like some of the other Europeans, including the Dutch and the Swedes, like the European Union, like Japan, like the Republic of Korea, like Canada, like India where that's possible, and like Indonesia as well.

That's the second principle. And the final one, let me add a third, is to understand as a matter of foreign policy discipline the difference between operational strategy on the one hand and the declaratory strategy on the other. Now the Liberal Party in Australia often makes a meal of our international interests because they constantly think that foreign policy equals permanently mouthing off about everything. Well, frankly, it doesn't. There is a role for declaratory policy. There is a role for the declaring our position on critical matters of deep relevance to Australian interests in values, which we should make no apology for. But to turn ourselves into rolling public commentators on everything that moves, that affects China, frankly, in my judgement serves an Australian domestic political interest on the part of the Liberal Party, which is bashing up on China is seen domestically as good politics; who cares about the consequences.

Most mature States make a clear distinction between operational strategy. That is what we do and declaratory strategy, what we say. They've ultimately got to be consistent, but pulling out the megaphone every morning at 8:45, because Peter Dutton thinks that's a great idea to whack the Chinese again. Because he wants to elevate his own aspirations for the future leadership of the Liberal Party is not what I call a mature approach to a national strategy.

Ali Moore: Peter Dutton, and of course being Australia's home affairs minister and the current government very much at the opposite end of the political spectrum to the government that you led. Kevin Rudd, but when it comes to dealing with China, in fact, you've said in other interviews that when asked, who's got it right, you talk about Japan. You talk about Shinzo Abe.

Kevin Rudd: Well, I think the Japanese who have a deeply troubled history with China, given the horrific nature of the Japanese military invasion and occupation and the murdering of 10 to 20 million Chinese during the course of that war, which really spanned from 1931 to 1945. Given all of that and given the troubled postwar history between the two countries, Shinzo Abe, for example, as an ally of the United States, a liberal democracy, and with the economy which also has China as its principle trading partner, that is “Australia, you are not alone here; other countries are going through the same sort of challenges”, effectively manages is what I describe as a rolling distinction between operational strategy and declaratory strategy.

Japan's operational strategy towards China is quite hard line. Unlike Australia, it's even got sharper interests at stake in the East China sea, where you have not only contested territorial claims over the three or four small islands in what's called Senkaku/Diaoyu Dao. But also the extensive overlapping and conflicting exclusive economic zone claims in the East China sea.

And so the Japanese are robust in their response, in the air and on the sea to Chinese activity. At the same time, the Japan-China economic relationship has managed to go into a genuinely strong direction despite those constraints. And what the Japanese government has done, I think is being able to manage those two tensions effectively by not pulling out the megaphone every Monday morning cabinet briefing from the Japanese Chief Cabinet Secretary.

Ali Moore: You're listening to Ear to Asia from Asia Institute at the University of Melbourne. And just a note to listeners that Asia Institute has launched a new online publication on Asia and it's societies, politics and cultures. It's called the Melbourne Asia Review. It's free to read and it's open access at melbourneasiareview.edu.au. You'll find articles by some of our regular Ear to Asia guests and by many others. Plus you can catch recent episodes of Ear to Asia at the Melbourne Asia Review website. Which again, you can find at melbourneasiareview.edu.au. I'm Ali Moore, and I'm joined by Kevin Rudd, former Australian prime minister, president of the Asia Society Policy Institute and veteran China watcher. We're talking about China's place in a post pandemic world.

Kevin we've talked about the impact of this crisis on Xi Jinping but you've made the point that both China and the US have been weakened by this pandemic. And of course, as we record this, the US has descended into a level of chaos with the protests over racial inequality, but that's not a good place for the rest of the world, is it, if both China and the US are weakened?

Kevin Rudd: Well, if you have as a middle power like Australia but also from the perspective of the international community writ large an interest in something that we call a stable rule- based global order, then the tectonic shifts currently underway are problematic because they are generating instability in the order. The postwar order, as we know, it was anchored on two factors.

One is the preponderance of American geopolitical power as the victor coming out of a World War II, both in Europe and in the Pacific. And secondly, the collectivity of global and regional institutions, which United States set up from the United Nations, the World Trade Organisation, The International Monetary Fund, the General Agreement on Tariffs and Trade. And if there's a third element to this it's the global

network of US Alliances. I lost count. I think about 47 American allies out of 193 member States the United Nations.

So if you want a snapshot of what the order looks like, that was it. But the rise of China, for some of the reasons we've already discussed in our podcast today, China having become more powerful and not sharing American national interests or values in the main and under the period of Xi Jinping's leadership has now pushed back at the order, that American led order, at all levels, pushing back against American unilateral power, pushing back against US alliances, and certainly seeking to assert Chinese interests and values and institutions and global governance.

But coming out of this COVID crisis you're right to say, Ali, and I've written on this most recently in Foreign Affairs magazine in the United States, people are interested to look at this covered in any more detail. The Americans are likely to emerge from this crisis, weaker, the hit on the American economy is since the Depression unprecedented. Second, the divisive nature of American politics seems to be not letting up.

And thirdly, there's huge lack of resolve within America about its future regional and global leadership role. And then finally, the reputational damage, which President Trump has succeeded in targeting America with as the product of his singularly destructive presidency. But the Chinese are also been hit against each of those measures. Domestic economy hit, international reputation hit, divisions also within the Chinese political structure on which way China should go forward. So it is not as if America down, China up, which is what I see in a lot of the pop commentary coming out of the COVID crisis.

I see both of these great powers, significantly damaged. So the open question is which of them recovers earliest and most comprehensively? And that is a question mark. And secondly, in the interregnum, what do the rest of us do in terms of the institutions of global governance on which middle powers like Australia depend?

And my argument, which I've advanced in other stuff I've been writing is that you then need a coalition of the policy willing, significant middle powers from around the world, willing and prepared to invest financially, diplomatically, and politically in sustaining these critical institutions into the future. Like the World Trade Organisation, which is now on its knees, like the World Health Organisation, which is now on its knees, like the Human Rights Council in Geneva, which the Americans have now, for reasons I can never understand withdrawn from. And given the collapse of the JCPOA, the Iran Nuclear Deal. And given America's threat to violate the provisions of the comprehensive test ban treaty by resuming nuclear testing.

And so a coalition of the policy willing of middles powers deliberately as it were not folding into a fealty either to Washington or Beijing on the questions of multilateral governance. But whose common policy and political resolve is as middle powers we've got a responsibility to triage, the term that I use triage in the international system until a new strategic equilibrium emerges between the great powers.

Ali Moore: And what would be the catalyst for this group. You talk about the multilateral seven, or maybe even potentially the magnificent seven or eight, or nine, whatever the

number is in the end. But what would be the catalyst for them to come together for this triage?

Kevin Rudd: Well, I think there's been some catalytic activity already unbeknown to the rest of us, particularly here in the antipodes. The Germans and the French got together about a year or so ago to launch what is called the Alliance on Multilateralism driven out of the French and German foreign ministries. So its mission statement is not dissimilar to what I've just described. It's perhaps narrower than what I'm outlining, but its impetus and its direction is similar.

What would be the catalyst? My experience of the politics and international relations with the global financial crisis. And when we set up the G20 at summit level, and when we manage to secure Australian membership of the G20, at summit level, the world's top economic table. You actually need one or two leaders around the world who are prepared to form the initial ginger group and make things happen.

And leaving the personalities to one side, the countries I've nominated as the magnificent seven and maybe the magnificent 10 are countries like, in Europe, Germany, France, the UK, depending on what side of the bed Boris has got out of, and whether he's serious about a global Britain or an American Britain. Brussels itself, and maybe outside of the larger European States, countries also with a long standing multilateral tradition like Spain, and like Sweden.

In Asia, you would look to countries like Japan, South Korea, Indonesia, India, and depending on what side of bed Morrison gets out of in the morning, or whether he's in a Trump mood or whether he's in we need a stronger WHO mood, Australia as well, plus Canada plus Mexico.

And then among the African democracies, you would look also at countries like Nigeria and South Africa. Now, can you get seven or 10 or 12? What I describe as global middle powers working together, pooling their diplomatic, financial and political capital to triage these institutions open question, but I know none of it will happen unless one or two of them decide to make it happen. And it's an open question whether that can come to pass. I put forward the idea so that governments may consider this as a possibility.

Ali Moore: And triage until the world comes out the other side. You've talked about the potential for a cold war 1.5. Why 1.5 and not 2.0. And what does the other side look like to you at the moment?

Kevin Rudd: There's a lot of loose language at the moment about China, the United States having landed us in a new cold war, just to remind people who were not born in the Mesolithic period, what the old cold war was like. When I became an Australian diplomat back in the 1980s, I remember what the last decade of the cold war was like. You had mutually assured destruction and nukes prepared to take out each other's country at the pushing of a single button.

You had third country proxy wars in about 20 different parts of the world between the Soviet Union and the United States. You had zero economic engagement between the Soviet Union and America. And you had a fundamental ideological war

between liberal capitalism and authoritarian communism. Not all of those characteristics apply to the China-US relationship by any logical measure. And there's always a danger when people start talking about Cold War 2.0 or another cold war that we end up producing self-fulfilling prophecies.

So that I would say is we are now in what I describe as cold war 1.5, because “Is there are a level of, shall we say nuclear contestation between the two countries?” Yes. Although the Chinese strategic rocket force is infinitely smaller than the Americans, but it's still has a second strike capability. And it's now being modernised. Two, there are no proxy wars, but there is proxy diplomacy underway for the contesting of geopolitical space around the world, particularly as the Belt and Road countries rub up against the rest. Three, there's still a massive economic relationship between China and the United States, some decoupling and elements of trade. The continuation of parts of the trade war. Financial markets are still linked. But there are real pressure points emerging, particularly given decisions in the United States, directing US public pension funds, not to invest in Chinese equities in the future. And then when you go to the ideological fight, yes, there's ideological tension, but because the Chinese have emerged as a state capitalist society, as opposed to a state communist society, it's a less defined ideological divide than the one that used to exist between the Soviet and States.

So there are my reasons for calling it 1.5 and where the rest of us go as a result of it is, I think the wisest course of action in Washington and in Beijing and for the rest of us working with both capitals is to relearn the lessons of the last cold war when after both sides generally blew each other's brains out in the Cuban Missile Crisis. Between '63 and '68, there was a deep learning in both capitals and hence was born detente, and they decided that they needed to draw a strategic lines around the deep political and ideological competition between the Soviet Union and the United States. But without crossing the Rubicon in terms of open warfare, I think that's where the work now needs to occur. What is the new detente to prevent as it were armed confrontation and escalation between China and the United States given the number of theatres, which are highly as it were volatile.

Ali Moore: And of course you spend most of your time in the US, you're in Australia at the moment because of these extraordinary circumstances we're in. But do you see in the US a focus on this new detente and what it might look like under Trump?

Kevin Rudd: Not under Trump. I mean, there is no coherent US national China's strategy under Trump. We have a series of statements, and then you have a series of disconnected policy actions. Most of which are trending negative, but I don't think any serious foreign policy analyst or strategic analyst would say it adds up to a coherent operational strategy at this stage.

If the Democrats win, Biden will put together, in my judgement , a first class team, these are people deeply experienced in Pentagon state. The national security council deeply experienced China hands as well. And I think you're more likely to see therefore a concerted intellectual effort as to what America's new strategy towards China should be. What is as it were the 21st century equivalent of what George Kennan did for president Truman in 1948 when he wrote the famous article anonymously in Foreign Affairs magazine which found its way into what became US containment strategy for the subsequent 40 years against the Soviet Union.

So I'm not recommending a new containment strategy because I do not believe China can be as classically contained as the Soviet Union was in the past, partly because of the degree of global economic enmeshment, which now exists. But what is the successor to containment? What is the successor to the Kennan doctrine? What is the successor which will give robustness, coherence, resilience, as well as some carved out areas for engagement with China, for example, on global climate change management, that would be effective for the United States and for its allies in the future. So the thinking is underway in the United States on the part of the Dems to do that, it's not reached conclusion yet, but it's a disciplined process. Unlike the Barnum & Bailey Circus operation, which now passes for parts of the Trump administration.

Ali Moore: What do you think is Xi Jinping's end game here? Is it to replace US dominance?

Kevin Rudd: So those, again, interested in this I gave a lecture to the US Military Academy at West Point a year or so ago, which can also be found on my website. But it's a complex answer to a deceptively simple question. Xi Jinping aspires to many things for his country, but the overriding rationale is to keep the party in power and to have a Chinese nationalist state with a strong and decisive role in the world and in the region.

So if I was to try and give you the quick dot point summary of what that means in practise is Xi Jinping wants to keep the Communist party in power. Xi Jinping wants to reunite the country, which means dealing with the Taiwan question and that for me, looms as the single greatest strategic uncertainty for our region and for the world over the next six months, and frankly, over the next three years. Three he wants to have China as a globally advanced economy with globally leading technologies. Four, he wants a military, which is competitive with the United States in every domain.

And as he says, and his military strategy capable of fighting and winning wars in the information age. Five, he wants to roll back the United States to what's called the third Island chain. Think of the map of the West Pacific. Think about where if you draw an imaginary line between Japan and the Philippines going through Guam, that's the third Island chain. And that anything West of that is a zone of Chinese maritime influence.

On the Eurasian landmass he wishes through the Belt and Road Initiative and what comes after it to turn Eurasian landmass into a continental buffer for China strategically. But a new zone of economic activity and markets to further grow the Chinese economy. And by Eurasia, he ultimately means everywhere from Peking to Paris. But obviously moving through central Asia first central Europe second, Eastern Europe third, and then into Western Europe.

And beyond that again, to have China's position in the institutions of global governance preeminent. So the best answer to your question is a multilayered answer rather than a singular one. But ultimately China does see itself in a strategic contest against the United States regionally and globally, and increasingly ideologically.

Ali Moore: And in that contest, it sees itself under Xi Jinping as being number one, not number two, or one of one sharing the top position?

Kevin Rudd: I don't think the Chinese realists regard that as a realistic proposition. There was an arcane debate between China and the United States in the first term of Obama between 2008 and 2012, about a so called G2 that is, could we frame a global governance system, particularly given the emergence of the G20. Whereby the Chinese and the Americans worked through the G20 in particular, but also the machinery of their bilateral relationship to prospectively co-manage the global order.

Initially in the Obama period, some of the Obamaites had enthusiasm for this, and they floated it directly with the Chinese. The Chinese came back and said, "Too hard for us," and explicitly repudiated it by about 2010. Xi Jinping comes on the scene in 2012, and then the Chinese float the idea of, "A new type of great power relations" – "新型大国关系"

And as a consequence of that, the sub text of it was, "Hey, the G2 idea that we rejected under Hu Jintao, Xi Jinping was kind of interesting. Can we have another look at it?" The problem by 2012, the train had moved on. China had already begun to become more assertive in the South China sea and the East China sea against Japan after the Japanese nationalisation of Senkaku in 2012 and China's forceful reaction against that. So the historical moment, if one existed, somehow past us by in the 2008, 2012 period. Whatever the public declarations are between Washington and Beijing, the reality amongst the strategic analysts in both capitals, because this is seen prospectively as a zero sum game.

Ali Moore: And what does that mean for the rest of the world? Does that mean anarchy as you've written about in Foreign Affairs, going back to the philosophy of Thomas Hobbes?

Kevin Rudd: Well, in Foreign Affairs I spoke about three things that both China and America emerged in the COVID crisis deeply damaged. And as a consequence we like to see these institutions of global governance, increasingly subject to binary bipolar politics, which over time renders them increasingly ineffective. In other words, these sort of stalemate we've often seen in the UN security council, it gets visited upon the rest of the machinery of global governance.

My argument in Foreign Affairs magazine is that causes us to drift increasingly in direction of what I've described as global anarchy. And of course, in a Hobbesian worldview, which you just referred to the much maligned Thomas and I malign him as well, "Life is brutish and short," he said. And that was his view of domestic politics, but also brutish in terms of international politics. But the realists would argue that the natural state of the international order is a non-order, that it in fact is chaos.

And that episodically from time to time, usually through a global hegemon, you have periods of order, think of a Roman empire, think of British empire, think of American Peace – Pax Americana, given the Americans did not militarily occupy the rest of the world, unlike its predecessors.

And nor too does China have an interest in militarily occupying the rest of the world either; it's a new age in that respect. But the overall thesis is that we are starting to get to the fag end, of the order we constructed because the American power underpinning it is now under relative challenge. China has risen, but is not yet got the uncontested geopolitical space to as it were construct an order of its own. And as a consequence of that, we now have contested global institutions becoming binary battlegrounds between the two of them. Is this the inevitable lot of humankind?

No, it's not. I mean, what I've sought to do is to describe what's happening. Human beings get to write their history. It's not written on the stars above. And as a consequence, it's a matter for an incoming Biden administration to decide, can they engineer a new period of detente with China, which prevents cataclysm and puts predictability around the management of the institutions of global governance.

Secondly will Xi Jinping's brand of nationalist politics prevail in China necessarily after the 20th party Congress in 2022, or will there be a reaction to it domestically? And what will that look like? And will China assume a more gradualist posture in the future? Open question. And three, what do the rest of the middle powers of the world actually do about this? At present, most of them, including Australia, run around the place, throw their hands up in the air and say, we're all ruined while actually not coming up with a credible international strategy for dealing with it.

In my judgement, the credible international strategy lies in, as I said, the multilateral seven, the multilateral 10, the multilateral 12, banding together as a band of sisters and brothers if you and triaging the international system until such stage where you reach a new equilibrium.

Ali Moore: Are you an optimist?

Kevin Rudd: I am a professional and personal optimist. Otherwise I would not be in this business because if you come from the progressive side of politics as I do, then you believe that political agency is capable of delivering progressive change. If you look at the history of our country, Australia, in the last 100 years, if you didn't have progressive forces who are by instinct optimists up against, shall we say, conservative pessimists, up against Hobbesian pessimists and their Friedmanite fellow travellers in the contemporary Liberal Party, then we would not have achieved things like basic industrial protection.

We wouldn't not have achieved the age pension. We would not have achieved the widow's pension. We would not have achieved universal superannuation. We would not have achieved universal health care. And we certainly would have achieved universal education. These are all productive, optimistic, social democrats who believe that through the agency of politics, we can engineer a progressive change.

And what is interesting is that the same bunch of, as it were domestic progressives became the international progressives who constructed the last order. Roosevelt was a progressive, the Roosevelt of the new deal was the guy who sought to produce the new deal through the Atlantic Charter, which he signed with Churchill in '43 or '44. Truman's administration, Democrats were progressive's at home seeking

to build a new order internationally. And so it was with Attlee's post-war government and the whole Keynesian experiment of the postwar period.

For the fact that these institutions exist is the product of a combination of Roosevelt's and Truman's America, Attlee's United Kingdom, because he was prime minister from '45 onwards to '50 under the British Labour government. And in Australia's case a very much the agency of people like Evatt and Chifley – Chifley the treasurer and then prime minister, and Evatt the foreign minister – in crafting these institutions.

So if you look at history, progressive's have a capacity to analyse history work within its groove, and then to construct sustainable realistic institutions for the future to safeguard the better angels of our human nature. What the conservatives do, and I associate the Australian Liberal Party with the conservatives like the American Republicans, is that they essentially have a view of history which is that we are about the business of returning to some illusory halcyon past which doesn't exist other than in the fictive imaginations of conservative novelists.

And furthermore, to, in the 21st century, indulge in what I think is the crude politics of fear, anxiety and greed in order to preserve political power rather than craft a coherent political project that this country's long-term reform, economically, socially and environmentally, and internationally, a new regional and international rules-based order, which is sustainable around the principles of peace and development and equality.

Ali Moore: Kevin Rudd, there are so many more questions, but you have been incredibly generous with your time and with your insights. And it would be terrific to have you again, on Ear to Asia in the months ahead to look at how this new order, this new detente, this new equilibrium, which I'm clinging to the optimism that we will find them, how they eventually turn out for the world. Thank you very much for talking to Ear to Asia.

Kevin Rudd: Good to be with you on the programme.

Ali Moore: Our special guest on this episode of Ear to Asia has been the honourable Kevin Rudd, 26th prime minister of Australia and president of the Asia Society Policy Institute.

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