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Persistent Differences Stall Australia-China Relationship Stability

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Despite efforts to mend ties, deep-seated differences continue to hinder a stable Australia-China relationship, with tensions over security, trade, and human rights overshadowing diplomatic gains. Prime Minister (PM) Anthony Albanese's recent China visit highlights the fragile balance between economic reliance and strategic concerns, as Australia navigates a complex global landscape. Albanese's six-day trip, which included meetings with President Xi Jinping and Premier Li Qiang, aimed to bolster the \$325 billion trade relationship, as noted by the Department of Foreign Affairs and Trade (DFAT). While the PM touted outcomes like a Tourism Australia deal with Trip.com, critics argue these mask unresolved issues. China's military actions, including February 2025 live-fire drills 650km off New South Wales and a May incident where a Chinese jet endangered an Australian Navy helicopter, have fueled distrust. "Beijing's aggression in the Pacific can't be ignored," said shadow defence spokesman Angus Taylor, slamming Labor's "naive" approach to stabilization.

Economic ties, while robust, face challenges. Australian foreign direct investment (FDI) in China dropped to \$2.2 billion in 2023, reflecting caution amid Beijing's tightened regulations. China's push for Australia to soften foreign investment screenings, raised by Li Qiang, met resistance, with Albanese defending national security. The case of detained Australian writer Yang Hengjun, sentenced to a suspended death penalty, remains a sore point, with no progress despite Albanese's appeals. "Labor's diplomacy looks like appeasement when human rights are sidelined," remarked former ambassador Geoff Raby to The Australian Financial Review.

Geopolitically, Australia's AUKUS pact with the United States (US) and United Kingdom (UK) continues to irk Beijing, which views it as a containment strategy. Posts on X highlight public skepticism, with users like @NormalIsInOz warning that Labor's focus on Chinese trade risks alienating US allies. As US-China tensions rise under President Donald Trump's tariffs, Australia's balancing act grows trickier. The Labor government's mantra of "cooperate where we can, disagree where we must" feels hollow when security threats and ideological divides persist. Without addressing these core differences, true stability remains elusive, leaving Australia caught between economic pragmatism and strategic imperatives.