

Main fields and characteristics of China-Australia relations

(abstract)

As shown by the comparison in the introductory part of the paper, the two continent-sized countries hugely differ from each other, yet they are also natural partners, even if not of equal significance, for each other. Their bilateral relationship, which they have made an exemplary and stable model of relations between nations of different social systems and development levels, are strengthened by their complementary characteristics and mutual interests as well.

The asymmetrical relationship is manifested in foreign trade by the fact that while the PRC represents roughly one-sixth of Australia's total turnover, Australia has hardly more than one fiftieth of that of China. Although the idea of a free trade agreement between the two parties has explicitly occurred already in 2003, it has not been signed ever since. At the same time, apart from the preparatory consultations on the FTA, the so-called strategic negotiations between them have become regular. As far as foreign direct investment is concerned, the mutual importance of the parties is even lesser than in trade, even if, due to its growing hunger for raw materials, China has become more and more interested in increasing its presence in Australia. In 2008 and 2009, for example, China's FDI in Australia has shown a breakthrough. Further important areas of bilateral relations have been mutual tourism and the education of Chinese students in Australia. Environmental and technical/scientific cooperation are also on a level worth mentioning.

Both countries have actively reacted to the crisis in the world economy, their actions covering both bilateral and multilateral (mainly regional) cooperation. Hungary can also draw lessons from their bilateral relationship. Some of these lessons are enumerated in the final part of the paper.