

Each week China Matters collates news items about the Australia-China relationship

## Media Roundup Issue 57 (03/02/18 – 09/02/18)

# 1. 'No Respect For History': People's Daily Lambastes Parodies Of Patriotic Song 'Yellow River Cantata'

Over the past five years the definition of 'politically acceptable' has narrowed in the PRC. Today, as the below article demonstrates, even a parody of an old revolutionary cantata catches the ire of the mouthpiece of the Communist Party of China, the People's Daily (人民日报).

30/01/2018 Jiayun Feng Supchina

Chinese state media People's Daily published an op-ed on Monday condemning parodies of Yellow River Cantata (黄河大合唱 Huánghé dàhéchàng), a well-known patriotic musical narrative written by famous Chinese composer Xian Xinghai 洗星海.

"Parodying classics to amuse the masses is not passing on culture, and definitely not a re-creation of art," the author wrote.

Yellow River Cantata was written in 1939, at a time after many Chinese cities fell to Japanese invaders. The lyrics were adapted from a patriotic poem called Yellow River, which the poet Guang Weiran 光未然 reportedly recited on a hospital bed in Xian's presence.

Read more: <a href="http://supchina.com/2018/01/30/peoples-daily-lambastes-parodies-of-patriotic-song-yellow-river-cantata/">http://supchina.com/2018/01/30/peoples-daily-lambastes-parodies-of-patriotic-song-yellow-river-cantata/</a>

### 2. Time to reset our China policy

02/02/2018 Andrew Clark Australian Financial Review

Defending former prime minister Kevin Rudd these days is about as fashionable as saying the #MeToo movement has gone too far.



Labor prime minister for 30 months before an erratic leadership style led to his toppling in a party room putsch in June, 2010, Rudd was the China expert who as PM pushed for expansion of Australia's military to meet the looming Chinese challenge.

His 2009 Defence white paper proposed a substantial boost in Australia's air and naval power in response to China's increasing military presence in the region. Years later, this view found a partial echo in the whopping \$50 billion Australian order for 12 long-range, redesigned French Barracuda submarines, although the first won't be delivered for at least another 15 years.

Read more (Paywall): <a href="http://www.afr.com/news/politics/national/time-to-reset-our-china-policy-20180201-h0s59n">http://www.afr.com/news/politics/national/time-to-reset-our-china-policy-20180201-h0s59n</a>

#### 3. Chinese Pacific Island networks 'a risk for intel'

03/02/2018 Anthony Klan The Australian

The Chinese government is funding sensitive computer and communications networks in South Pacific nations, stoking fears that Australian government intelligence could be transmitted directly to Beijing.

China has built on credit a \$US53 million central database for the PNG government. It has also built a broadband network to "link all government departments and agencies", funded with a further \$US65.4m loan, according to the Lowy Institute think tank.

Both projects were delivered by China's Huawei group, which the federal government banned from participating in the National Broadband Network rollout because of security concerns.

Read more (Paywall): <a href="https://www.theaustralian.com.au/national-affairs/foreign-affairs/chinese-pacific-island-networks-a-risk-for-intel/news-story/e6e9205718bc89285fead6b87de93630">https://www.theaustralian.com.au/national-affairs/foreign-affairs/chinese-pacific-island-networks-a-risk-for-intel/news-story/e6e9205718bc89285fead6b87de93630</a>



# 4. Cabcharge takes Alipay as China tourism dollars signal mobile payment trend

04/02/2018 Michael Smith Australian Financial Review

Taxi giant Cabcharge is the latest Australian company to jump on the mobile payments bandwagon to capitalise on the growing number of Chinese tourists visiting Australia.

It will announce a deal on Monday to accept Alipay through payment terminals in more than 20,000 taxis around the country.

Cabcharge is not alone. About 8000 merchants in Australia and New Zealand now accept Alipay since it was launched in the region in 2016.

The deal by Cabcharge, which is trying to reinvent itself as a digitally savvy transport company after the arrival of Uber hit revenues, is the latest evidence that China's ecommerce boom is influencing payments options in Australia.

Read more (Paywall): <a href="http://www.afr.com/business/retail/cabcharge-takes-alipay-as-china-tourism-dollars-signal-mobile-payment-trend-20180204-h0tbst">http://www.afr.com/business/retail/cabcharge-takes-alipay-as-china-tourism-dollars-signal-mobile-payment-trend-20180204-h0tbst</a>

# 5. The minister the money and the mine. How a rotten deal was hatched

05/02/2018 Nick McKenzie Sydney Morning Herald

As waiters took orders for toasties and coffee at the Little Teapot Café in the sleepy coastal hamlet of Davistown, NSW, four men were discussing a deal as big as it was potentially rotten.

A businessman was seeking political backing from the NSW Liberal Party for a Chinese state-owned company to buy an Australian mine. They were not too fussy which one.

In return, the businessman was offering to funnel \$2 million dollars to the party.



Last week, in a signed statement, the businessman outlined what happened at the café that day in 2012. He says he told the three Liberal insiders dining with him that he didn't want the donations traced.

"Don't worry," one of the men told him, according to the businessman. "We have offshore accounts."

Read more: <a href="http://www.smh.com.au/federal-politics/political-news/the-minister-the-money-and-the-mine-how-a-rotten-deal-was-hatched-20180202-p4vzbm.html">http://www.smh.com.au/federal-politics/political-news/the-minister-the-money-and-the-mine-how-a-rotten-deal-was-hatched-20180202-p4vzbm.html</a>

#### 6. Australia must move beyond Cold War thinking

05/02/2018
Peter Drysdale & John Denton
East Asia Forum

Searching for evidence of 'Chinese influence' in Australia? Look no further than the census. Around 1.2 million people declared themselves of Chinese heritage. About 600,000 were born in mainland China. And while recent coverage of alleged Chinese 'influence' in Australian politics might suggest otherwise, the Australian-Chinese community is not a dagger pointed at the heart of Australian democracy — it is a diverse community with every right to participate in the political process.

There are also more than 170,000 Chinese nationals at Australian universities. The overwhelming majority come at their families' expense to buy an Australian education.

There is a narrative that would have Australians think that a shadowy cabal of Chinese-born businesspeople is trying to control national policy with cash and that Chinese students are bent on overthrowing Australian institutions, freedoms and rights.

It is an insinuation with scant evidence.

Read more: <a href="http://www.eastasiaforum.org/2018/02/05/australia-must-move-beyond-cold-war-thinking/">http://www.eastasiaforum.org/2018/02/05/australia-must-move-beyond-cold-war-thinking/</a>



#### 7. Controversial China book may get parliamentary protection

05/02/2018 Nick McKenzie & Richard Baker Sydney Morning Herald

Key members of Federal Parliament's national security committee are backing a move to use the committee's powers to publish an explosive book on Chinese Communist Party influence in Australia.

Committee chair and Liberal MP Andrew Hastie and deputy chair Anthony Byrne, a Labor MP, are among those supporting the move despite the potential for diplomatic fall-out, according to multiple sources.

Fairfax Media has also confirmed that the office of Prime Minister Malcolm Turnbull has been briefed on the deliberations of the committee and has no objection to it publishing the manuscript.

Two major publishers ditched the manuscript, by a professor of public ethics at Charles Sturt University, Professor Clive Hamilton, citing fears Beijing or its proxies would launch legal action.

Read more: <a href="http://www.smh.com.au/federal-politics/political-news/controversial-china-book-may-get-parliamentary-protection-20180205-p4yzfy.html">http://www.smh.com.au/federal-politics/political-news/controversial-china-book-may-get-parliamentary-protection-20180205-p4yzfy.html</a>

### 8. Seven Chinas - A Policy Framework

05/02/2018
David Kelly
Center for Strategic and International Studies

International analysis of China's foreign policy is often too simple, too binary. Is China expansionist? Or will it preserve the status quo? Has it dropped the pretense of "peaceful rise"? This essay presents an alternative approach to understanding how China conducts its global affairs.

Foreign policy was traditionally the most consensus-driven policy sector in China. It emanated from a tiny elite; the broader intellectual chorus of official and unofficial agencies, scholars, media, and public opinion added their voices, but rarely changed the tune. This has changed in recent years, with trade and investment "going global," a discernible realm of public diplomacy opening, and the national interest reshaped by new trajectories and strategies.



Some macro-level shaping forces are well-known, ranging from great-power nationalism to economic resource security, to social and political stability. But these typical "realist" concerns are powerfully shaped as well by shared narratives. Let us call them the *seven Chinas*.1 Often drawn on to shape and justify policy, they sometimes cohere well, sometimes not. Some of the seven narratives blend together to support expansion, others to defend the status quo. But there are several other possibilities.

Read more: https://www.csis.org/analysis/seven-chinas

#### 9. 'Sharp power' on the rise but democracies are missing the point

06/02/2018 Christopher Walker The Australian

Russia and China have poured considerable resources into arenas typically associated with "soft power", a term coined by the American political scientist Joseph S. Nye and understood as the "ability to affect others by attraction and persuasion". Either directly or through compliant surrogates, these two countries have devoted billions of dollars in recent years to increasing their global influence through media, culture, think tanks, academia and other spheres.

Despite these immense investments, however, observers — including Nye — have scratched their heads, wondering why these authoritarian regimes continue to suffer a deep soft-power deficit, even as they have grown more assertive internationally.

Russia and China tend to do poorly in global public opinion surveys and indices of soft power, reinforcing the notion that attraction and persuasion are incompatible with authoritarianism. Internationally, autocrats are not "winning hearts and minds". Nonetheless, Russia, China, and other well-resourced and ambitious regimes are projecting more influence beyond their borders than at any time in recent memory — and not principally through what Nye calls "hard power": military might or raw economic coercion.

Read more (Paywall): <a href="https://www.theaustralian.com.au/news/world/sharp-power-on-the-rise-but-democracies-are-missing-the-point/news-story/65addb0a63c975fda118a040e09771ca">https://www.theaustralian.com.au/news/world/sharp-power-on-the-rise-but-democracies-are-missing-the-point/news-story/65addb0a63c975fda118a040e09771ca</a>



#### 10. Beijing Is Silencing Chinese-Australians

06/02/2018 Alex Joske The New York Times

On a September night in 2016, I took my seat at a theater in the heart of Canberra for a Chinese national day celebration organized by the pro-Beijing Chinese Students and Scholars Association. There was a commotion and all of the seats around me were suddenly filled by men in black suits communicating with walkie-talkies. They followed me into the bathroom and tried to have the theater's security staff kick me out.

Earlier, I had reported for a student newspaper on Chinese government ties to the group and its efforts to censor anti-Communist Party material at my university. I later identified the men at the theater as members of the Chinese student association, and it was clear that the attempt to intimidate me was a result of my articles.

Beijing's reach into Australia goes far beyond groups like the student association. Its interference in Australian society is becoming increasingly bolder. And as Australians debate how to respond, the voices of the Chinese-Australians alarmed by Beijing's encroachment are being drowned out by an aggressive Chinese government campaign to silence critics here.

Read more: <a href="https://www.nytimes.com/2018/02/06/opinion/beijing-chinese-australians-censorship.html?utm">https://www.nytimes.com/2018/02/06/opinion/beijing-chinese-australians-censorship.html?utm</a> source=dlvr.it&utm medium=twitter

## 11. The Questions of Chinese Influence at the Heart of Australia's Security Reforms

06/02/2018
Bates Gill
World Politics Review

In early December, four new bills were introduced in the Australian Parliament that together represent the most sweeping proposed changes to the country's national security laws in decades. In supporting their passage, Australian Prime Minister Malcolm Turnbull referenced Soviet spying in Australia decades ago. "The threat we face today is greater than when Soviet agents penetrated the



federal government during World War II and the early years of the Cold War," he warned.

The four bills have all been submitted for review to the Parliamentary Joint Committee on Intelligence and Security, which is expected to report its recommendations and any alterations in March. The bills would then proceed to a full vote and, in all likelihood, become law.

This package of legislation would establish new domestic security and counterintelligence bodies under the Department of Home Affairs, while amending existing laws and introducing new penalties for espionage, treason, sabotage, the handling of sensitive information and trade secrets, and foreign interference with the democratic and political rights of Australians. The legislation is also expected to ban nearly all foreign donations to Australian entities deemed to be "political campaigners."

*Read more:* <u>https://www.worldpoliticsreview.com/articles/24135/the-questions-of-chinese-influence-at-the-heart-of-australia-s-security-reforms</u>

### 12. Labor puts journalists first over national security

07/02/2018 Joe Kelly & Greg Brown The Australian

Labor has split with the government on national security, with Bill Shorten declaring he would vote down laws to curb foreign interference unless they were changed to ensure journalists could not be locked-up "simply for doing their jobs".

Attorney-General Christian Porter is looking at improvements to the bill and is consulting with media companies, including News Corp Australia, publisher of *The Australian*, which was a signatory to a joint submission raising concerns about the overhaul and the unintended consequences on journalists.

Mr Porter has softened his initial resistance to changes and is now conceding it was "inevitable that there will be amendments and refinements to some of the drafting", which is "largely to do with the tightening of the drafting to provide certainty, particularly for journalists".

Read more (Paywall): <a href="https://www.theaustralian.com.au/national-affairs/national-security/labor-puts-journalists-first-over-national-security/news-story/77ee33e708c1d7b63df65800d0c554b0">https://www.theaustralian.com.au/national-affairs/national-security/labor-puts-journalists-first-over-national-security/news-story/77ee33e708c1d7b63df65800d0c554b0</a>



# 13. Australian debate could force Tokyo's hand on foreign interference

07/02/2018 Primrose Riordan The Australian

Japan is closely monitoring Australia's debate about foreign interference laws and could tighten its own controls as a result.

The laws — which create offences for covert activities and establish a public register for those working on behalf of foreign interests — are intended to crack down on levels of foreign interference Australian intelligence agencies say is more pronounced than during the Cold War.

But over the past two weeks, Australian civil society groups, the media, universities and business groups have demanded changes to the bill and opposition MPs have signalled they will not support the laws as they are currently drafted.

Read more (Paywall): <a href="https://www.theaustralian.com.au/national-affairs/foreign-affairs/australian-debate-could-force-tokyos-hand-on-foreign-interference/news-story/0c0e83867fc0ea0090bc1395b727ff1f">https://www.theaustralian.com.au/national-affairs/foreign-affairs/foreign-affairs/australian-debate-could-force-tokyos-hand-on-foreign-interference/news-story/0c0e83867fc0ea0090bc1395b727ff1f</a>

### 14. China Merchants Port to Buy 50% of Australian Port

#### 07/02/2018 Caixin

China's state-backed port operator China Merchants Port said in a Tuesday statement that it plans to acquire a 50% stake in Port of Newcastle, the largest port in eastern Australia and the world's biggest coal exporting port.

The company said it has reached agreement with the port's shareholders China Merchants Union and Gold Newcastle Property Holding to buy their holdings of Port of Newcastle at a total of HK\$3.8 billion.

The acquisition of Port of Newcastle is the first step for CMP to invest in Oceania, which can complement the current trading network covered under the company's port portfolio with further potential synergies, China Merchants Port said.

Read more: <a href="https://k.caixinglobal.com/web/detail">https://k.caixinglobal.com/web/detail</a> 22792



# 15. Chinese continue to drive increase in spending by overseas students

07/02/2018 Tim Dodd The Australian

The value of education exports rose by an extraordinary 19.7 per cent last year, driven by Chinese students who have massively increased their spend in Australia.

New figures released on Tuesday by the Australian Bureau of Statistics show that education exports in 2017 were worth \$30.9 billion.

Earlier data released by the bureau in November shows that about 32 per cent of education export revenue comes from Chinese students, underlining Australian universities' growing reliance on China for revenue.

Read more (Paywall): <a href="https://www.theaustralian.com.au/higher-education/chinese-continue-to-drive-increase-in-spending-by-overseas-students/news-story/285f5555e410b53af972cf49c5e3d4de">https://www.theaustralian.com.au/higher-education/chinese-continue-to-drive-increase-in-spending-by-overseas-students/news-story/285f5555e410b53af972cf49c5e3d4de</a>

### 16. Shaky West perceives Beijing as a threat

07/02/2018 Zhou Fangyin The Global Times

The Australian Security Intelligence Organisation (ASIO) said recently that the country is facing an unprecedented level of threat from foreign interference and espionage, worse than that during the Cold War. It also listed China as an "extreme" threat. Various forms of China threat theory have been floating in Australia over the past year and the ASIO has given an unprecedented push to it.

The motive behind the China threat theory is confusing as there is a high degree of interdependence between China and Australia and globalization is the driving force in ties. It also begs the question what shape the theory will take in the future.



Some believe it's mainly driven by Australia's domestic affairs, especially its partisan politics. In a fragile position, the Australian ruling party is trying to divert the public's attention from domestic issues by citing external threats to keep itself in power.

Read more: <a href="http://www.globaltimes.cn/content/1088647.shtml">http://www.globaltimes.cn/content/1088647.shtml</a>

#### 17. China's JD.com to open Australia office this month

08/02/2018
Michael Smith
Australian Financial Review

JD.com, the Chinese ecommerce giant founded by billionaire Richard Liu, will open its first office in Australia this month as it steps up expansion plans in the region and seeks to challenge Amazon's dominance of the booming online retail market in the western world.

The Beijing-based company which sells Australian food, dairy products, vitamins and cosmetics to millions of Chinese consumers, will announce on Thursday it is opening its Australian and New Zealand headquarters in Melbourne's Collins Street on February 27. It follows a similar move by Chinese rival Alibaba last year and is further evidence China's ecommerce giants are serious about accelerating their Australian sales.

Winston Cheng, the head of JD.com's international operations, told The Australian Financial Review the company also planned to invest in a distribution network in Australia and was looking at partnership deals with some of the country's biggest retailers.

Read more (Paywall): <a href="http://www.afr.com/business/retail/chinas-jdcom-to-open-australia-office-this-month-20180207-h0v9jf">http://www.afr.com/business/retail/chinas-jdcom-to-open-australia-office-this-month-20180207-h0v9jf</a>

### 18. As U.S. Culls Diplomats, China Is Empowering Its Ambassadors

08/02/2018
Peter Martin, Keith Zhai & Ting Shi
Bloomberg News

While U.S. diplomats endure staff cuts and low morale, China's own foreign service is undergoing a revival.



The ruling Communist Party has ordered a sweeping overhaul of the Ministry of Foreign Affairs aimed at making China a more effective global player, according to four people familiar with the matter. The plan calls for most agencies to stop replacing staff in Chinese embassies by next year, giving ambassadors direct control over their portfolios, said two of the people, who requested anonymity because they're not authorized to speak to media.

The overhaul promises to create a more empowered diplomatic corps better able to represent China's interests with one voice as they oversee more than a dozen trade deals, supervise infrastructure projects and manage loans to foreign countries. The Foreign Ministry will wield a veto over financial and personnel decisions at embassies, the four people said.

*Read more:* <u>https://www.bloomberg.com/news/articles/2018-02-07/as-u-s-culls-diplomats-china-is-empowering-its-ambassadors</u>

## 19. 'The demise of kerbside recycling'?: China ban disrupts rubbish removal and fills warehouses

08/02/2018 Nick Kilvert & Carl Smith ABC News

Australia's recycling industry is feeling the impact of China's ban on a range of imported recyclable rubbish, with industry leaders warning they cannot keep collecting recycling if there's nowhere for it to go.

On January 1, China stopped accepting 24 categories of solid waste, disrupting the export of more than 600,000 tonnes of material out of Australia each year.

Now the ban has begun to bite and recycled waste is being stockpiled in warehouses in certain parts of the country.

North of Sydney, Hunter Resource Recovery CEO Roger Lewis says it was only a few months until the issue would reach "a critical point".

Read more: <a href="http://www.abc.net.au/news/2018-02-08/the-demise-of-kerb-side-recycling/9407650">http://www.abc.net.au/news/2018-02-08/the-demise-of-kerb-side-recycling/9407650</a>



#### 20. West should cut the rhetoric on superpower rivalry

09/02/2018 Michael Sexton The Australian

Who wants to go back 20 years to the Cold War?

The answer seems to be some highly placed officials in Washington and London, although their counterparts in Canberra are sensibly more reluctant to join this exercise in belligerent nostalgia.

At the end of last year US President Donald Trump spoke of Russia and China as rivals that sought to "challenge American power, influence, and interests". Shortly afterwards US Defence Secretary James Mattis suggested that great power rivalry posed a greater threat to American security than international terrorism.

At the same time, Britain's Chief of the General Staff, Sir Nicholas Carter, called for greater British defence spending on the basis that "we may not have a choice about conflict with Russia". And *The Economist* warned in late January: "If America allows China and Russia to establish regional hegemonies, either consciously or because its politics are too dysfunctional to muster a response, it will have given them a green light to pursue their interests by brute force. When that was last tried, the result was the First World War."

Read more (Paywall): <a href="https://www.theaustralian.com.au/opinion/west-should-cut-the-rhetoric-on-superpower-rivalry/news-story/7646be1904445b10db6578f4d1e05c26">https://www.theaustralian.com.au/opinion/west-should-cut-the-rhetoric-on-superpower-rivalry/news-story/7646be1904445b10db6578f4d1e05c26</a>