



China Matters

## 1. Xi sets the agenda, but now he must deliver

#### 14/04/2018 Sarah-Jane Tasker The Australian

China's most southern province, Hainan, had the eyes of the world on it this week as the country's President, Xi Jinping, gave a landmark speech amid a backdrop of trade tensions with the US and warnings of a strained relationship between Australia and its largest trading partner.

Mr Xi received wide support from global political and business leaders after promising a new wave of "openness" for the economic powerhouse, with a pledge to allow foreign companies greater access to China's financial and manufacturing sectors as he also signalled lower tariffs on imported cars.

He made the commitments in his keynote speech at the Boao Forum for Asia, which is Asia's version of the World Economic Forum in Davos. The annual event, on the tropical island of Hainan, has close links with Australia, with former prime minister Bob Hawke one of the original drivers of the conference, which also counts billionaire Andrew Forrest as a significant backer.

*Read more (Paywall):* <u>https://www.theaustralian.com.au/business/xi-sets-the-agenda-but-now-he-must-deliver/news-story/99d79063de514b848e14df4bf1d99447</u>

## 2. What China sees in Australia's sandstone towers

15/04/2018 Lachlan Colquhoun Asia Times

At the main gates of the University of Sydney, there is a regular rumble of group photographs and selfies. Bemused students wander past, politely stepping out of the way so they don't photo bomb the picturesque moment.



It is a warm day, so to add to the confusion and chaos almost everyone in the photographic scrum is holding an umbrella to protect themselves from the glaring sun.

Off Parramatta Road, just opposite the university, a stretch of road has become a semi-permanent depot for parked tourist buses. Drivers play on their phones and smoke cigarettes as they wait for the tour groups to return.

*Read more:* <u>http://www.atimes.com/article/china-sees-australias-sandstone-towers/</u>

<u>3. Australia Week in China won't be affected by Canberra-Beijing</u> tensions, officials say

### 16/04/2018 Sarah Zheng South China Morning Post

New legislation in Australia aimed at curbing foreign interference in domestic affairs may be a sign of growing anxiety about China's political influence in the country, but officials said it will not jeopardise a planned business event between the two nations. "The timing of the next Australia Week in China is being discussed between the Australian and Chinese governments," a spokesman for the Department of Foreign Affairs and Trade in Canberra said. The department also dismissed reports that Beijing had turned down visas for travelling officials. "No visas have been rejected for Australian ministers to travel to China," the spokesman said. Beijing earlier called the allegations "nonsensensical".

*Read more:* <u>http://www.scmp.com/news/china/diplomacy-</u> <u>defence/article/2141783/australia-week-china-wont-be-affected-canberra-beijing</u>

## 4. China Watchers Are Not China Stooges

16/04/2018 Jocelyn Chey (China Matters Associate) John Menadue – Pearls and Irritations



Australia needs informed and balanced study and reporting on China more than ever before. Informed opinion depends on the ability to see both sides of the picture and to avoid over-simplification.

My career has been devoted to the development of bilateral relations between Australia and China and I have always sought to maintain an impartial and balanced view. I have been subjected to suspicion by Australian security agencies in the past and I have been tailed by Chinese agents. At times I have taken a stand on issues that prejudiced national interests or impugned my intellectual integrity – some instances are recorded by former Ambassador Stephen FitzGerald in his memoirs. More than ten years ago, I was one of the first people to warn of the potential threat to academic freedoms if Confucius Institutes took over responsibility for China-related teaching and research in Australian universities.

*Read more:* <u>https://johnmenadue.com/jocelyn-chey-china-watchers-are-not-china-stooges/</u>

# <u>4. Donald Trump TPP U-turn would put our relationship with China</u> <u>under spotlight</u>

16/04/2018 Ian Verrender ABC Online

Consistency has never been one of his strong points. Still, Donald Trump's abrupt <u>U-turn on the Trans-Pacific Partnership last week</u> was, on any measure, a jaw dropping policy reversal. This was the US President who campaigned for an inward looking America, who argued the US had been a trade victim, that it had been ripped off for years on dud trade deals. This was the man who pulled the plug on the TPP just two days into his Presidency and until last week was ramping up an anti-trade tariff tirade against China.

*Read more:* <u>http://www.abc.net.au/news/2018-04-16/how-australia-will-relate-</u> <u>with-china-into-the-future/9661684</u>



### 5. Resources are still boosting Australia despite China slowdown

### 17/04/2018 Paul Bloxham Australian Financial Review

In economics, the most interesting results are the ones that are counterintuitive. When growth gets a boost from an economic shock that would normally weaken it, the result is both interesting and requires explanation. This is what economists get most excited about.

In many ways this is what has happened in Australia over the past 18 months. National income has picked up for a somewhat surprising reason.

The driver has been higher iron ore, coal, LNG and other <u>commodity prices</u>, which have boosted corporate profits and tax revenues. This aspect of the story makes perfect sense.

*Read more (Paywall):* <u>http://www.afr.com/opinion/columnists/resources-are-still-boosting-australia-despite-china-slowdown-20180417-h0yv6c#ixzz5D0EPr5JG</u>

# <u>6. Australian companies upbeat on China, but say operating there is</u> <u>getting harder</u>

### 17/04/2018 Michael Smith Australian Financial Review

More than half the Australian companies operating in China say they are not treated equally to their domestic competitors, and doing business in the world's second-largest economy is getting harder, according to a new survey. However, the pain is worth it, they say. Despite the rising challenge and growing political tensions between Canberra and Beijing, more than 80 per cent of companies surveyed by the Australian Chamber of Commerce of Shanghai (AustCham Shanghai) say they are optimistic about the future, and expect profits to grow.

The chamber's first comprehensive survey in four years of Australian business sentiment in China has delivered a surprisingly upbeat assessment of the opportunities despite growing concern about the bilateral relationship and the threat of a trade war with the United States.



*Read more (Paywall):* <u>http://www.afr.com/news/world/australian-companies-upbeat-on-china-but-say-operating-there-is-getting-harder-20180415-h0yt2t - ixzz5D0IsHSf0</u>

## 7. As China veers towards dictatorship, we must learn to work with it

### 17/04/2018 Troy Bramston The Australian

Since China's opening to the West, the conventional wisdom has been that the vast economic transformation would elevate millions of people into a middle class, leading to democratic reform. This belief, which has guided policymakers for decades, has been mistaken.

The notion that rising living standards eventually would produce democratic elections, greater respect for the rule of law and human rights, and enhanced freedoms is at odds with Xi Jinping's more authoritarian China. Xi is set to rule China for life, having manoeuvred to obtain the abolition of presidential term limits. He has tightened his grip over the Communist Party. This represents a departure from the collective leadership under Jiang Zemin and Hu Jintao.

*Read more (Paywall):* <u>https://www.theaustralian.com.au/opinion/columnists/troy-bramston/as-china-veers-towards-dictatorship-we-must-learn-to-work-with-it/news-story/641eb906df6def457f9c925792d7e948</u>

## 8. Australia ideal testing ground for China's influence

17/04/2018 Mark Beeson The Global Times

Relations between China and Australia are becoming increasingly testy and strained. A growing number of people in Australia are concerned about the extent and nature of China's influence. Significantly, it's not just the usual suspects in the Department of Defense or diehard supporters of the military



alliance with the US that are worried. On the contrary, there is also a noteworthy division among academics and China-watchers about how to respond to recent developments.

The publication of Clive Hamilton's *Silent Invasion: China's Influence in Australia* has been the catalyst for this increasingly heated debate. Hamilton claims that "Beijing sees Australia, along with New Zealand, as the 'weak link' in the Western world and the ideal place for testing its strategies for breaking up the global reach of the United States and so helping to realize Xi Jinping's China Dream."

Read more: http://www.globaltimes.cn/content/1098390.shtml

# <u>9. Australia hosting unprecedented numbers of international</u> <u>students</u>

18/04/2018 Natasha Robinson ABC Online

Australia is hosting unprecedented numbers of international students, who now make up more than a quarter of enrolments at some universities. The number of international students in Australia has increased by 12 per cent this year as enrolment numbers continue to rise exponentially. Department of Education figures show that in February, Australian universities, private colleges, English language courses, and schools registered a combined 542,054 enrolments.

*Read more:* <u>http://www.abc.net.au/news/2018-04-18/australia-hosting-unprecedented-numbers-international-students/9669030</u>

## 10. Will Australia defend the 'rules-based order' in Asia?

#### 18/04/2018

Nick Bisley (China Matters Advisory Council) and Benjamin Shreer The Strategist



China has become the most formidable challenge to Asia's regional order, and to Australia's stake in that order, since the days of Japanese imperialism. It's not just its growing economic and military power but increasingly Beijing is experimenting with order building and <u>it's plainly trying to exert political influence beyond its borders</u>.

The heated and polarised debate in Australia about the consequences of China's 'sharp power' is a notable consequence of this. And it has brought into focus the crucial issue of the future of the 'rules-based order' in the region, an image invoked by the Turnbull government in numerous speeches and policy statements.

*Read more:* <u>https://www.aspistrategist.org.au/will-australia-defend-rules-based-order-asia/</u>

## 11. China ambassador Cheng Jingye flags more opportunities

19/04/2018 Glenda Korporaal The Australian

Chinese ambassador Cheng Jingye has urged Australian business to take advantage of upcoming opportunities by attending China's first international import expo in Shanghai in November.

"China is going to expand its imports," Mr Cheng told *The Australian* this week. "The import expo is a unique step to encourage and attract more imports. It will provide more opportunities for countries like Australia and others to export more to China."

China is already Australia's largest trading partner, a two-way business worth more than \$150 billion a year.

*Read more (Paywall):* <u>https://www.theaustralian.com.au/business/markets/china-ambassador-cheng-jingye-flags-more-opportunities/news-story/147fa2e630a254692455be95afecf2d2</u>



## 12. China trade threat 'ups and downs', says Malcolm Turnbull

#### 19/04/2018 AAP Canberra Times

London: Chinese trade with Australia could be under threat, but Prime Minister Malcolm Turnbull says any "ups and downs" in the bilateral relationship are coming from a high base.

The Chinese ambassador to Australia told *The Australian* that if growing distrust was allowed to fester it could damage the trade relationship.

Australia is bringing in laws trying to stop foreign donations to political parties, but Ambassador Cheng Jingye rejected any suggestions China was trying to interfere in Australian politics.

*Read more:* <u>http://www.canberratimes.com.au/world/china-trade-threat-ups-and-downs-says-malcolm-turnbull-20180418-p4zaf3.html</u>

# <u>13. Australian warships 'challenged' by Chinese navy in South China</u> Sea

### 20/04/2018 AAP The Guardian

China's military issued "robust" challenges to three Australian warships as they travelled through the South China Sea to Vietnam earlier this month, <u>the ABC</u> <u>reports</u>.

Defence sources said the confrontations between HMAS Anzac, HMAS Toowoomba and HMAS Success and the People's Liberation Army occurred ahead of the Australian vessels' arrival for a three-day goodwill visit in Ho Chi Minh City.

One official, speaking on the condition of anonymity, told the ABC exchanges with the PLA navy were polite but "robust".



*Read more:* <u>https://www.theguardian.com/australia-</u> <u>news/2018/apr/20/australian-warships-challenged-by-chinese-navy-in-south-</u> <u>china-sea</u>

# 14. Australia's alarm at Chinese base in the Pacific is justified

#### 20/04/2018 Greg Colton Australian Financial Review

It is not often that a story from the Pacific is front page news in Australia, but it is a pretty safe assumption that if it is, China is somehow involved. The response to last week's Fairfax Media report about a <u>future Chinese naval base in</u> <u>Vanuatu</u> is a classic case in point.

The governments of China and Vanuatu were quick to deny the reports – indeed the Prime Minister of Vanuatu, Charlot Salwai, has been at pains to emphasise the story is not true while at the Commonwealth Heads of Government Meeting in London this week, a stance that Malcolm Turnbull has publicly backed. Yet the very fact the story has rumbled on for almost two weeks is significant in its own right.

It would be easy to dismiss this fascination as the manifestation of a deepseated anti-China paranoia, a modern evolution of the suspicion Australia possessed of its Asian neighbours for much of the past century. Yet Canberra's concerns of Chinese influence in the Pacific are valid for two important reasons.

*Read more*: <u>http://www.afr.com/opinion/columnists/australias-alarm-at-chinese-base-in-the-pacific-is-justified-20180420-h0z0v6</u>

# 15. China says cooperation threatened by Australia's trust deficit

#### 20/04/2018 Michael Smith Australian Financial Review

China's Foreign Ministry says cooperation between Beijing and Canberra will be impossible without mutual trust between the two countries as political tensions over Australia's foreign interference laws resurfaced this week.



"Without mutual trust, exchanges and cooperation in other areas would be impossible. We hope that the Australian side can make concrete efforts to discard its prejudices and discriminatory practices against China," a Foreign Ministry spokesman said late Thursday.

While China has repeatedly criticised Australia's foreign interference laws, the rhetoric now suggests there could be a direct impact on trade and other exchanges between the two countries.

The Foreign Ministry was responding to remarks by China's Ambassador to Australia in Canberra, Cheng Jingye, <u>this week. The ambassador said "systematic,</u> <u>irresponsible, negative remarks" in the second half of last year</u> had strained relations and could have an "undesirable impact" on trade.

*Read more:* <u>http://www.afr.com/news/policy/foreign-affairs/china-says-</u> <u>cooperation-threatened-by-australias-trust-deficit-20180419-h0z0ai</u>