

## Media Roundup Issue 83 (04/08/18 – 10/08/18)

### 1. Anti-China hysteria vs need for trade: Australia struggles with a rising Beijing

**04/08/18**

**Wang Xiangwei**

**South China Morning Post**

The escalating trade war between China and the United States has hogged the international limelight amid rising concerns over its impact on the global economy and its geopolitical implications.

By comparison, the ongoing wrangling between China and Australia may seem secondary – it should not be.

In fact, the strategic and geopolitical arm-wrestling between the two countries, albeit starkly different in sizes, is much more than what it appears to be – Australia acting as a proxy of the United States taking on the mighty China.

To a great extent, it has fast become a test case for other Western countries, including Canada and New Zealand, traditional allies of Australia and the US, on how to forge closer economic ties with an increasingly powerful China on the one hand, and trying to push back against what is perceived to be Beijing's political interference in their countries' strategic sectors.

Read more: <https://www.scmp.com/week-asia/opinion/article/2157933/anti-china-hysteria-vs-need-trade-australia-struggles-rising>

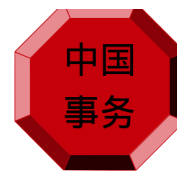
### 2. Rethinking the place of the Chinese student at Australian universities

**05/08/18**

**Eric Knight**

**Australian Financial Review**

The growth in Chinese student enrolments in Australian institutions of higher education offers a once-in-a-lifetime opportunity to build strategic ties in the region. But recent debate suggests that political and business leaders don't necessarily appreciate the nature of the economic opportunity.



Rather than viewing the inflow of Chinese students to Australia as a revenue earner for universities, or fretting about the influence of Chinese students on campus life or domestic politics, critics should look for an opportunity.

At hand is the chance to engage with an emerging cadre of Chinese entrepreneurs. Many are coming to Australia on the back of established success, having started or run their own businesses in China, often with multimillion-dollar valuations.

*Read more (Paywall): <https://www.afr.com/news/policy/education/rethinking-the-place-of-the-chinese-student-at-australian-universities-20180801-h13exb>*

### 3. China diplomat hopes ties with Australia recover soon

**05/08/18**

**Reuters**

A senior Chinese diplomat on Saturday said China hopes Australia will not voice “groundless suspicions” so that ties between the two countries can return to health and stability.

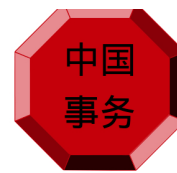
Relations soured last year when Australian Prime Minister Malcolm Turnbull accused Beijing of meddling in Australian affairs - including the media, universities and politics. China has denied the charges.

A schedule for Foreign Minister Julie Bishop to visit China for a series of meetings held regularly since 2014 has yet to be agreed, despite Australia proposing dates in May and the process usually taking weeks, sources told Reuters on Wednesday.

“We hope that, through the efforts of both sides, we can soon return bilateral relations to a healthy and stable development track,” Chinese State Councillor Wang Yi told reporters at a regional forum in Singapore.

“To achieve this, we hope that Australia can do more that is in the interest of increasing mutual trust between the two countries, and not be groundlessly suspicious,” he said, after a meeting with Bishop.

*Read more: <https://www.reuters.com/article/us-asean-singapore-china-australia/china-diplomat-hopes-ties-with-australia-recover-soon-idUSKBN1KQ00V>*



#### 4. Why a falling Yuan raises economic jitters in Australia

**05/08/18**

**John Power**

**South China Morning Post**

When the yuan hit a six-month low against the US dollar earlier this summer, Australian businesses had more reason than most to sit up and take notice.

China buys almost one-third of Australia's exports, with a particular appetite for commodities such as iron ore and coal. Chinese visitors, mostly tourists and international students, spend more than A\$8 billion (US\$5.9 billion) in the country each year, almost five times as much as Americans.

In Australia's red-hot property market, where the average cost of a house in Sydney exceeds A\$1.1 million, Chinese are by far the top-spending foreign investors, last year splashing out more than A\$15 billion.

All things being equal, the weaker the yuan, the less Chinese consumers have to spend on Australian goods and services.

Read more: <https://www.scmp.com/week-asia/geopolitics/article/2158248/why-falling-yuan-raises-economic-jitters-australia>

#### 5. Chinese tariffs on US LNG could give leg-up to Australia

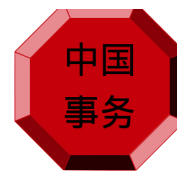
**05/08/18**

**Angela Macdonald-Smith**

**Australian Financial Review**

A threat by China to slap 25 per cent import tariffs on liquefied natural gas from the US, the world's strongest growing exporter, may hand an edge to rival exporters such as Australia and Papua New Guinea in winning new long-term sales deals, experts say.

In a move described by one consultant as "an LNG bombshell", China included LNG for the first time in its list of 600 products that would attract tariffs in its \$US60 billion retaliation to the Trump administration's planned tariffs.



The measure, announced by the Ministry of Finance late Friday, took some by surprise given the importance of US exports to meet surging demand in China for gas as it cleans up its air quality.

*Read more (Paywall): <https://www.afr.com/business/energy/gas/chinese-tariffs-on-us-Ing-could-give-legup-to-australia-20180805-h13kg7>*

## 6. US envoy says Australia is 'poster child' for pulling its weight

**06/08/18**

**David Wroe**

**Sydney Morning Herald**

The United States' top envoy has said Australia is the "poster child for burden-sharing" in a sign Canberra will avoid the kind of berating other key US allies have received at the hands of Donald Trump.

James Carouso, the acting US Ambassador, has also acknowledged it is hard for the US to reassure other countries that it will continue to play as great a role in Asia as it has in the past when the region is changing so rapidly amid China's rise.

Fears among some allies and partners of the US that the superpower will not have the capacity to continue playing the active role in Asia that it has for more than half a century have been exacerbated by the US President Mr Trump's fiery "America first" language and his undiplomatic treatment of old allies in Europe as he attacked them for relying on US protection while letting their own militaries run down.

*Read more: <https://www.smh.com.au/politics/federal/us-envoy-says-australia-is-poster-child-for-pulling-its-weight-20180805-p4zv19.html>*

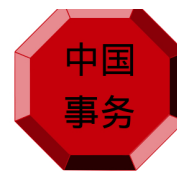
## 7. End the suspicion, China's foreign minister tells Bishop

**06/08/18**

**Amanda Hodge**

**The Australian**

China has urged Australia to help rebuild the bilateral relationship by ending "groundless suspicion" and doing more to "boost mutual trust", at the end of a weekend of regional summits in Singapore.



Chinese Foreign Minister Wang Yi made the comments after emerging from a bilateral meeting with Foreign Minister Julie Bishop late on Saturday, capping off four days of multilateral meetings including the East Asia Summit and Association of South East Asian Nation members.

Mr Wang said Ms Bishop had specifically requested the meeting and that he had agreed because the two nations enjoyed a comprehensive strategic partnership and trade relationship.

"To that end, we hope that Australia can do more to boost mutual trust, rather than making groundless suspicion. Both sides agree to make effort on improving relations."

*Read more (Paywall): <https://www.theaustralian.com.au/national-affairs/foreign-affairs/end-the-suspicion-chinas-foreign-minister-tells-bishop/news-story/2eaf226bb9ac84e581dc863cfce6a1d8>*

## 8. Australia China Business Council welcomes Malcolm Turnbull's UNSW speech

**08/08/2018**

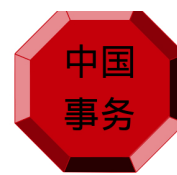
**Glenda Korporaal  
The Australian**

The Australia China Business Council has welcomed yesterday's speech by Prime Minister Turnbull which sought to repair Australia's strained relations with China.

In a statement release today, ACBC national chief executive, Helen Sawczak, said the speech, delivered at the University of New South Wales, "reaffirmed the significance of Australia's longstanding and deep relationship with China."

She said the Prime Minister's announcement that Australia was open to working with China on the Belt and Road Initiative was also "particularly welcome by Australian companies eager to explore the opportunities."

The comments by the ACBC are a sharp contrast with increasing expressions of concern from the business community about deteriorating ties between Australia and China under the Turnbull Government.



Read more (Paywall): <https://www.theaustralian.com.au/business/news/australia-china-business-council-welcomes-malcolm-turnbulls-unsw-speech/news-story/f8b992f671893b24e60379baab75d8df?login=1>

## 9. Malcolm Turnbull tries to get Australia out of the Chinese diplomatic freezer

**08/08/2018**

**Andrew Tillett**

**Australian Financial Review**

If you could trace the exact moment where Australia's relationship with China reached its nadir, it would be at a suburban Sydney shopping centre on a Saturday afternoon.

As people bustled about inside Top Ryde mall doing their Christmas shopping on December 9 last year, Malcolm Turnbull held a doorstep campaign with John Alexander, who was fighting to win back his seat of Bennelong.

But the questions were dominated by tensions with China. Turnbull, seeking an advantage in a byelection that would make or break his leadership, had been hammering Labor Senator Sam Dastyari over his closeness to Chinese-Australian political donors, while Beijing a day earlier had made a complaint to Australian diplomats over the Prime Minister linking Chinese activity to the need for foreign interference laws.

Read more (Paywall): <https://www.afr.com/news/malcolm-turnbull-tries-to-get-australia-out-of-the-chinese-diplomatic-freezer-20180807-h13omv>

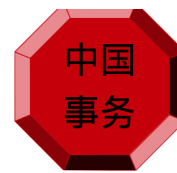
## 10. Turnbull scores points in Beijing

**08/08/2018**

**Kirsty Needham**

**Sydney Morning Herald**

The Chinese government has responded positively to a conciliatory speech by Prime Minister Malcolm Turnbull in which he sought to ease tensions with Australia's biggest trading partner.



In the speech delivered at the University of New South Wales on Tuesday, Mr Turnbull said he wanted to propose "clearer thinking" on China and identify misperceptions.

"Prime Minister Turnbull made a positive statement on China's reform and opening up China-Australia relations and pragmatic cooperation between the two countries. We appreciate this," said Chinese Foreign Ministry spokeswoman Hua Chunying in a statement released in Beijing on Wednesday.

Ms Hua said China and Australia were important countries in the Asia Pacific region, and the healthy and stable development of bilateral relations was in the fundamental interests of both countries.

Read more: <https://www.smh.com.au/world/asia/turnbull-scores-points-in-beijing-20180808-p4zwb.html>

## 11. Malcolm Turnbull speech places China in multipolar system

**08/08/2018**

**Rory Medcalf**

**Australian Financial Review**

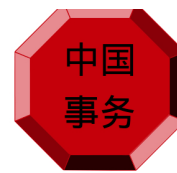
Some foreign policy speeches are subtle and many-layered, crafted as much for their place in a long narrative as for any quick diplomatic fix they bring.

So it is with Prime Minister Malcolm Turnbull's address this week at the University of NSW, where his audience included Australia's university leaders as well as the diplomatic representatives of the People's Republic of China.

The speech had plenty to say about mutual respect, the benefits of economic cooperation, the rewards of shared innovation, and the role of education in advancing peace, security and understanding. It applauded the contributions of scholars and the 1.2 million Australians of Chinese heritage.

These remarks have thus been hailed as a "reset" in the troubled relationship between Australia and China, a return to a decades-long tradition of economic engagement first and foremost.

Read more (Paywall): <https://www.afr.com/opinion/columnists/malcolm-turnbull-speech-places-china-in-multipolar-system-20180808-h13ppk>



## 12. China makes inroads on Pacific aid but Australia remains the stalwart, study finds

**08/08/2018**

**David Wroe**

**Sydney Morning Herald**

Chinese infrastructure in the Pacific island region built through soft loans appears to have peaked and a “hangover is setting in” as countries have to start repaying debts, a major study has found.

The Lowy Institute has painstakingly gathered figures on all development projects in the neighbourhood from 2011 to 2016 and concluded that while Chinese aid has grabbed attention by focussing on headline-generating projects, Australia remains the most important donor to the region.

An exception is Papua New Guinea, which has signed up to Beijing’s Belt and Road Initiative and would see a steep climb in Chinese infrastructure spending if a proposed \$4.7 billion national road project goes ahead.

But overall, the study underscored that Australia still provided the most substantial aid to the region even as the overall development assistance budget has been cut under the Coalition, said the director of Lowy’s Pacific islands program, Jonathan Pryke.

Read more: <https://www.smh.com.au/politics/federal/china-makes-inroads-on-pacific-aid-but-australia-remains-the-stalwart-study-finds-20180808-p4zw8b.html>

## 13. China surges in Pacific aid race as Australia falls behind

**09/08/2018**

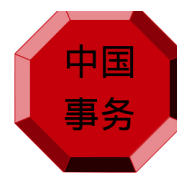
**Primrose Riordan**

**The Australian**

China has emerged as the -second-largest donor to Pacific -island -nations over the past eight years as Australian aid reduces, according to government-funded data that reveals the extent of -foreign financing of regional -governments.

Australia remains the biggest donor in the Pacific region — spending \$6.58 billion over the same period — but Canberra’s aid has decreased since 2011.





The scaling back of foreign aid donations — in line with moves by the US, the EU and France — has allowed China to become Vanuatu's largest donor since 2015, while the Asian nation's -donations to Fiji and Samoa over the past eight years are not far -behind Australia's.

Beijing has spent \$1.26bn since 2011 but has committed \$5.8bn. This included \$3.5bn for a Papua New Guinea road project last year -before Australia's nearest neighbour committed to Chinese President Xi Jinping's signature Belt and Road Initiative in June.

*Read more (Paywall): <https://www.theaustralian.com.au/national-affairs/foreign-affairs/china-surges-in-pacific-aid-race/news-story/6fa116a9b80ef421538fb704ee1cbce5>*

## 14. Turnbull right to cool tempers on China

**09/08/2018**

**Editorial**

**Sydney Morning Herald**

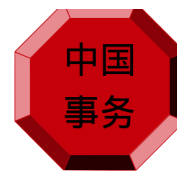
A month ago the former White House chief strategist Steve Bannon exclusively told the Herald that Australia should "wake up" to the reality that it was on the front line in a struggle against Chinese expansionism and "stop playing by the rules".

Prime Minister Malcolm Turnbull has shown excellent judgment, however, in ignoring Mr Bannon's free advice and making a significant speech that tried to repair our frayed relations with our largest trading partner.

Australian governments have struggled for decades to strike the right tone in responding to China's growth as a global power. China's huge economy makes it an indispensable partner but its closed, communist political system is a threat to the values Australia shares with its key strategic ally the United States.

Previous governments struck a pragmatic balance, asserting Australia's principles on specific issues such as China's incursions into the South China Sea or human rights while accepting the new reality of China's global power.

*Read more: <https://www.smh.com.au/world/asia/turnbull-right-to-cool-tempers-on-china-20180808-p4zw7a.html>*



## 15. Chinese students “an extraordinary stimulus to the economy”

**09/08/2018**

**Robert Bolton**

**Australian Financial Review**

Every three international students at a Group of Eight university delivers \$1 million to the Australian economy each year, according to new research from the university organisation.

And the aggregate economic impact from all overseas students enrolling at Go8 universities supports 73,000 jobs across the economy.

The data comes in a report commissioned by the Group of Eight to be released next week and underlines the importance of the sector, which got a major boost when the Prime Minister reaffirmed the value of the Chinese student market to Australian universities in his speech on Wednesday.

Students from China make up more than a third of all international enrolments. This year, 125,000 Chinese students enrolled in Australian higher education, 60 per cent of these at a Group of Eight university.

Read more (Paywall): [https://www.afr.com/leadership/management/business-education/chinese-students-an-extraordinary-stimulus-to-the-economy-20180809-h13qli?login\\_token=--QlWKglxAX\\_0D9uHEydQ83-BEAilauY6VNe\\_a8NDS\\_VLI9Un3iwlumm09xMzs43hoBwH0ZvCZY2sEy5gPrqCQ&expiry=1533857715&single\\_use\\_token=okOF9Uakp7GmCMQtE27bcdm0WThNOQXYdmpL978TWZBO2-mUcKN-i5YMiclhk28jQWvECuw4p-cBj1u5GU8\\_WA](https://www.afr.com/leadership/management/business-education/chinese-students-an-extraordinary-stimulus-to-the-economy-20180809-h13qli?login_token=--QlWKglxAX_0D9uHEydQ83-BEAilauY6VNe_a8NDS_VLI9Un3iwlumm09xMzs43hoBwH0ZvCZY2sEy5gPrqCQ&expiry=1533857715&single_use_token=okOF9Uakp7GmCMQtE27bcdm0WThNOQXYdmpL978TWZBO2-mUcKN-i5YMiclhk28jQWvECuw4p-cBj1u5GU8_WA)

## 16. How a meeting with the universities led to Turnbull's China reset

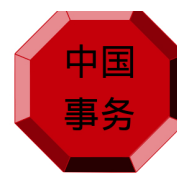
**09/08/2018**

**Phillip Coorey**

**Australian Financial Review**

By the time Malcolm Turnbull and representatives from the nation's most prestigious universities met in the Prime Minister's Sydney office in late March, the mood between the two parties was toxic.

It wasn't just the billions in funding that Education Minister Simon Birmingham had stripped from the sector months before, but the diplomatic and economic



problems that had been created by the universities allowing themselves to become economically reliant on China.

So much so, that on occasions when Beijing became upset with Canberra, it would threaten to diminish student numbers and create economic havoc.

In February, for example, the Group of Eight was rattled when Beijing issued an unfounded blanket warning to current and potential students that Australia was an unsafe place.

*Read more (Paywall): <https://www.afr.com/news/how-a-meeting-with-the-universities-led-to-turnbulls-china-reset-20180808-h13q8f>*

## 17. Turnbull's grovelling mea culpa on China risks harming Australia

**10/08/2018**

**Kevin Rudd**

**Sydney Morning Herald**

Malcolm Turnbull's behaviour towards Beijing over the past nine months has been foolish, amateurish and potentially dangerous. Yet the spectacle of his grovelling mea culpa to Beijing in his speech on the China relationship at the University of NSW this week may well make matters worse.

If the stakes weren't so high, it would almost be comical. But what Turnbull's China fiasco reveals most of all is how flawed his judgement can be on major matters of state which deeply affect the national interest.

So what actually happened? After then Labor senator Sam Dastyari fouled up badly towards the end of last year over conflicts of interest on his statements on the South China Sea, Turnbull came up with what he thought to be a seriously cunning plan.

Languishing in the polls against Labor ever since the 2016 elections, Turnbull thought he could use the Dastyari affair to skewer Labor as a bunch of pro-pinko, "soft on China" Beijing appeasers.

*Read more: <https://www.smh.com.au/politics/federal/turnbull-s-grovelling-mea-culpa-on-china-risks-harming-australia-20180810-p4zwov.html>*