

Media Roundup Issue 23 (03/06/17 – 09/06/17)

1. Malcolm Turnbull warns Asian leaders of Chinese aggression, says China should 'curb' North Korea

03/06/2017
Adam Harvey
ABC News

Malcom Turnbull has warned Asia's defence ministers of the dangers of Chinese aggression.

Mr Turnbull gave a blunt keynote address to the Shangri-La dialogue in Singapore, implying that China was not playing by the rules in the South China Sea.

"We should be under no illusions," he told delegates.

"If we are to maintain the dynamism of the region then we must preserve the rules-based structure that has enable it thus far."

Read more:

<http://www.abc.net.au/news/2017-06-03/china-should-curb-unlawful,-reckless-n-orth-korea:-turnbull/8586008>

2. Anxiety around China tops security talks

03/06/2017
Lauren Farrow
The Australian

When Australia and the US look at Southeast Asia they see several security threats.

But this weekend, the issue of whether China will help or hinder the two country's interests has been top of the agenda.

In a keynote address on Friday night at the security summit in Singapore, Prime Minister Malcolm Turnbull went straight to rising anxiety in the region over China's increasing power and the militarisation of islands within the vital trading route of the South China Sea.

Read more (Paywall):

<http://www.theaustralian.com.au/news/latest-news/pm-rejects-australia-us-deputy-sheriff/news-story/6e76bb251010022f463d922e7dd797ca>

3. China's Operation Australia: The party line

03/06/2017

Richard Baker

Sydney Morning Herald

University student Tony Chang had suspected for months that he was being secretly monitored, but it was a panicked phone call from a family member in China that confirmed his fears.

It was June 2015 and Chang's parents had just been approached by state security agents in Shenyang in north-eastern China and invited to a meeting at a tea house. It would not be a cordial catch-up.

As Chang later detailed in a sworn statement to Australian immigration authorities, three agents warned his parents about their son's involvement in the Chinese democracy movement in Australia. The agents "pressed the point that my parents must ask me to stop what I am taking part in and keep a low profile," the statement said.

Read more:

<http://www.smh.com.au/interactive/2017/chinas-operation-australia/soft-power.html>

4. CSIRO cooperation with Chinese defence contractor should raise questions

03/06/2017

Danielle Cave and Brendan Thomas-Noone

The Guardian

In April 2017 a joint centre for advanced science and technology research was launched at the University of Technology, Sydney. The partner and funder is the China Electronics Group Corporation (CETC), one of China's largest state owned-enterprises.

Beijing's influence in Australia has long caused unease and prompted difficult questions. Our relations with China are vital to our economy and future prosperity. But as Beijing's overt and covert influence continues to increase, tougher decisions will need to be made about how to navigate the relationship, particularly when it comes to engaging with political actors such as China's government-controlled companies.

China is playing an increasingly large role in our strategic science and technology sector. This, and investment in the sector from other overseas governments, needs to be debated. Because as Australia seeks to defend itself from cyber espionage and hi-tech military advancements occurring around the world, some of our organisations may be unknowingly aiding the very same overseas state actors, putting Australia's national security at risk. This is why the new partnership with CETC should pique public interest.

Read more:

<https://www.theguardian.com/australia-news/2017/jun/03/csiro-cooperation-with-chinese-defence-contractor-should-raise-questions>

5. Malcolm Turnbull condemns China but has no alternative plan

04/06/2017

Hugh White

Australian Financial Review

Malcolm Turnbull did something rather important in Singapore last Friday. He gave by far his most significant foreign policy speech as Prime Minister. In fact

he gave the most significant foreign policy speech given by any Australian Prime Minister in a very long time.

He laid out – far more bluntly than has ever been done before – the huge shift now underway in Australia's strategic environment. He acknowledged just how worried he and his government are about China's growing power and ambition, and what it means for us. And he showed quite plainly that he has no idea at all what to do about it.

Turnbull argued in Singapore that Asia's future peace and prosperity depend on preserving the US-led, rules-based order that has worked so well for so long. That means, he said, that China can only expand its strategic influence to match its economic weight within the bounds set by US leadership.

Read more (Paywall):

<http://www.afr.com/opinion/columnists/malcolm-turnbull-condemns-china-but-has-no-alternative-plan-20170604-gwk1un>

6. Chinese government hits back at student spying claims in Australia

05/06/2017

Kirsty Needham

Sydney Morning Herald

Beijing: The Chinese government has hit back at a Fairfax/Four Corners investigation into its influence in Australia.

A Chinese foreign ministry spokeswoman said the claims of spying and the Chinese government threatening students at Australian universities were "totally pointless" and refuted by China.

She urged Australian media to "make objective reporting" instead of "creating obstacles" to co-operation between the two countries.

Earlier, China's nationalist newspaper, *The Global Times*, prominently reported the allegations by the Fairfax/*Four Corners* investigation.

Read more:

<http://www.smh.com.au/world/chinese-media-calls-student-spy-allegations-heaviest-bomb-20170605-gwknq0.html>

7. China in 'direct disregard' for international order, Bishop says

05/06/2017

Primrose Riordan

The Australian

Foreign Minister Julie Bishop has backed Malcolm Turnbull's stronger stance on Chinese expansionism in Asia, saying China has acted in "direct disregard" of the international order.

Mr Turnbull gave the keynote speech at the Shangri-La Dialogue on the weekend and warned Beijing against throwing its weight around in a "coercive" way.

"A coercive China would find its neighbours resenting demands they cede their autonomy and strategic space, and look to counterweight Beijing's power by bolstering alliances and partnerships, between themselves and especially with the US," he said.

Read more (Paywall):

<http://www.theaustralian.com.au/news/world/china-in-direct-disregard-for-international-order-bishop-says/news-story/ea5c251d38c392cd42007a1d89390ad9>

8. University asked to rethink Tiananmen forum, academic says

05/06/2017

Primrose Riordan

The Australian

An academic at the University of Sydney has said the institution was asked by the Chinese consulate in Sydney to reconsider holding a forum on the Tiananmen Square protests of 1989.

The forum was part of commemorations held in Sydney and around the world yesterday to mark the 28th anniversary of the deadly crackdown on students, of which the exact death toll is unknown, and which has virtually been scrubbed from history in China.

The incident comes amid increased scrutiny of foreign interference in democracies since the US election. ASIO head Duncan Lewis warned in May that

espionage and foreign interference “continue to occur on an unprecedented scale” in Australia.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/university-asked-to-rethink-tiananmen-forum-academic-says/news-story/c0198ee9c9ae74a7f372ad4579385f74>

9. The Australia-China Relations Institute doesn't belong at UTS

05/06/2017

James Leibold

The Conversation

Last month six of Australia's top journalists visited China for a week as guests of the Australia-China Relations Institute (ACRI) at the University of Technology Sydney (UTS). They were greeted by top Communist Party officials and toured some of China's new infrastructure projects. Some (but not all) returned to Australia singing the praises of Chinese President Xi Jinping's showcase “One Belt, One Road” (OBOR) initiative and the opportunities for Australian businesses.

Bob Carr, the director of ACRI and a professor of international relations at UTS, claims we are in danger of being “hung out to dry” if we listen to the “China hawks” and don't more fully engage with China. Yet few have paused to ask why one of our universities is being used as a conduit to promote China's national interest, and who is actually paying for it.

Read more:

<https://theconversation.com/the-australia-china-relations-institute-doesnt-belong-at-uts-78743>

10. Tillerson hits out at China after US-Australia talks

05/06/2017

Primrose Riordan
The Australian

In unusually strong language, US secretary of state, Rex Tillerson has accused China of buying its way out of problems after formal discussions between the US and Australia in Sydney.

The comments come after Prime Minister Malcolm Turnbull warned Beijing against throwing its weight around in a “coercive” way in his keynote speech at the Shangri-La Dialogue on the weekend.

US Secretary of State Rex Tillerson and Secretary of Defence James Mattis, Joint Chiefs of Staff head General Joseph Dunford and head of the US Pacific Command Admiral Harry Harris met with their Turnbull government counterparts in Sydney today for the annual Australia – US Ministerial Consultations.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/defence/tillerson-hits-out-at-china-after-usaustralia-talks/news-story/3d8515e2485c0579358cae6d276fadeb>

11. Tough-talking Turnbull angers Chinese pundits

05/06/2017

Rowan Callick
The Australian

Chinese commentators have responded strongly to Malcolm Turnbull’s keynote speech at the Shangri-La Dialogue warning Beijing against throwing its weight around in a “coercive” way.

The *Global Times* editorialised that the Prime Minister’s speech was “one of the most assertive comments from a Western leader on China”.

The Chinese Communist Party-owned publication said Mr Turnbull “displayed a bias in values created by the US-Australia alliance, an absurdity as he has mistaken strategic selfishness with moral high ground”.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/foreign-affairs/toughtalking-turnbull-angers-chinese-pundits/news-story/d47a447db556a6979962f4fc0bdfef51>

12. Former top US spy James Clapper warns of China's Russian-style behaviour in Australia

06/06/2017

Andrew Greene

ABC News

China's growing influence over Australian politics has similarities with Russia's recent meddling in American democracy, a former top US intelligence official has warned.

The communist state exercises "soft power" in Australia in myriad ways, and it is vital that it is resisted, writes Dr Chongyi Feng, who was detained and interrogated in China earlier this year.

James Clapper was the Director of US National Intelligence until January 2017, and has just begun work as a visiting professor at the Australian National University's National Security College.

"The challenge that I think we both face, both the United States and Australia, is the potential jeopardy to the very fundamental underpinnings of our political system," Mr Clapper said.

Read more:

<http://www.abc.net.au/news/2017-06-06/former-top-us-spy-warns-of-chinas-russian-style-behaviour/8595242>

13. Academic Chongyi Feng: profits, freedom and China's 'soft power' in Australia

06/06/2017

Chongyi Feng

The Conversation

On the evening of April 1, after boarding my flight, I nervously waited until the door of the plane was closed to make a phone call to my mother, telling her that I was safe and on my way back to Australia.

My mother replied in a trembling voice:

You nearly scared me to death. Never ever come back to China again.
In tears, I comforted her:

Don't worry. China will change. I shall come back.

I knew my mother wanted to see me so much but feared that I would again fall into the hands of the Chinese security apparatus. I had a sleepless night in the sky. Thoughts crowded my mind. The nightmare of interrogations by the Chinese security personnel over the past ten days kept passing before my eyes.

Read more:

<https://theconversation.com/academic-chongyi-feng-profits-freedom-and-chinas-soft-power-in-australia-78751>

14. Chinese influence compromises the integrity of our politics

06/06/2017

Michelle Grattan

The Conversation

This week's ABC Four Corners/Fairfax expose of Chinese activities in Australia is alarming – not just for its revelations about a multi-fronted pattern of influence-seeking, but also for what it says about our political elite.

Are its members – on both sides of politics – naive, stupid, or just greedy for either their parties or themselves?

Why did they think Chau Chak Wing and Huang Xiangmo – two billionaires with apparently close links to the Chinese Communist Party – and associated entities would want to pour millions of dollars into their parties?

Read more:

<https://theconversation.com/chinese-influence-compromises-the-integrity-of-our-politics-78961>

15. Why is China so determined to ‘persuade, manage, discipline and control’?

06/06/2017

Graeme Smith

Sydney Morning Herald

The week’s episode of *Four Corners* lined up an array of academics, bureaucrats and politicians expressing alarm about China’s attempts to influence Australia through clandestine activities. China’s former ambassador to China, Geoff Raby, was a notable exception, observing that China’s efforts were much like those of other nations, particularly Israel.

Some similarities between the external activities of Israel and China are striking. Both are driven by contested identities, based on post-colonial politics dating back to the 1940s and beyond. On this front, China is faring better than Israel: Taiwan’s diplomatic isolation is almost complete, while over 70 per cent of UN members now recognise the state of Palestine.

Read more:

<http://www.smh.com.au/comment/why-is-china-so-determined-to-persuade-manage-discipline-and-control-20170606-gwliy3.html>

16. Four Corners sees the Party-state in all the shadows

06/06/2017

Merriden Varrall

The Interpreter

Last night ABC TV aired a Four Corners/Fairfax Media investigation into China's power and influence in Australia that promised to uncover 'how China's Communist Party is secretly infiltrating Australia'. The program traced the stories of various individuals and their ties to China and concluded we must all be more careful of 'covert Chinese actions taking place on Australian soil'. However the investigation did not convincingly demonstrate that the Chinese Party-state is orchestrating a coherent, strategic effort to infiltrate and influence Australian policy.

...

What the program perhaps did not have the time or scope to explore was the important fact that the Chinese Party-state is not a single, monolithic, coherent puppet-master. Further, Chinese people – even those with Party connections – are not simply tools of this putative communist behemoth. It is beyond the scope of this post to counter every claim in the Four Corners program, but I would like to sketch out some of the oversights and misperceptions to illustrate the broader point.

Read more:

<https://www.lowyinstitute.org/the-interpreter/seeing-party-state-all-shadows>

17. China's influence in Australia is not ordinary soft power

07/06/2017

Rory Medcalf

Australian Financial Review

At a security summit in Singapore last week, Prime Minister Malcolm Turnbull warned of risks of coercion as China's power rises.

He subtly noted that the most troubling question may not be whether Asia finds itself at war – which no nation wants – but rather what kind of peace we will have.

He is right. Australia is discovering that its paramount China challenge is not a few thousand nautical miles away in the South China Sea. It is right here at home.

Revelations are emerging of Chinese involvement in Australia's domestic affairs, which amount to sustained efforts at influence over our independent policy making.

Read more (Paywall):

<http://www.afr.com/opinion/columnists/chinas-influence-in-australia-is-not-ordinary-soft-power-20170606-gwli1m?btis>

18. China must be clear on rules of the game in its ties with Australia

07/06/2017

Alex Lavelle

The Age

The debate about Australia's relationship with China is regularly caught between what are euphemistically described as the views of "panda huggers" and "dragon slayers". The labels are evocative and certainly make for good headlines, but the temptation to simply lump people into opposing camps should be resisted.

Australia needs a sophisticated view of the ties to China, an appreciation of the opportunities as well as the threats.

The panda huggers are regularly cast as those in the business community who embrace China in search of economic bounty, yet are too willing to rationalise Beijing's authoritarian streak with reference to cultural differences. The dragon slayers, by contrast, are the hardheads in the security realm, said to be fixated to the point of obsession in the search for imagined threats.

Like most caricatures, these are paintings of extremes rather than reality. There are plenty of people who understand China well, spend a lot of time working to advance the relationship or analyse its complexities, and are both optimistic yet

cautious about the future. There is nothing to fear from recognising doubts, and more can go wrong when pretending to know the answers.

Read more:

<http://www.theage.com.au/comment/the-age-editorial/china-must-be-clear-on-rules-of-the-game-in-its-ties-with-australia-20170607-gwmiu4.html>

19. Malcolm Turnbull, Bill Shorten are in step with meddling China

08/06/2017

**Greg Sheridan
The Australian**

Here we are again with another China problem. This time it's serious and needing a sophisticated, continuing, institutional response.

But first let's pause to celebrate that in the past week our two national leaders, Malcolm Turnbull and Bill Shorten, have both broadcast significant declarations of independence from the political influence of Beijing.

The Prime Minister delivered the keynote address at the annual Shangri-La Security Dialogue in Singapore.

Read more (Paywall):

<http://www.theaustralian.com.au/opinion/columnists/greg-sheridan/malcolm-turnbull-bill-shorten-are-in-step-with-meddling-china/news-story/865d064832e55281e31f8e0dc6d29155>

20. The Wickedness of China

08/06/2017

**Mark Thomson
The ASPI Strategist**

The Chinese Communist Party exercises sovereignty over 1.4 billion people. In doing so, it suppresses free speech, regulates political activity and exercises a pervasive program of propaganda in education, the arts and the news media.

There are no elections of the sort we are familiar with, the judiciary has limited independence, and the internet is closely monitored and tightly censored.

Things have been worse: the first 40 years of CCP rule were marked by episodic violence and ruinous economic folly. More recently, however, CCP rule has resulted in both domestic peace and remarkable prosperity for the Chinese people. According to the World Bank, Chinese GDP per capita grew 34-fold between 1960 and 2015.

Yet, the menace of earlier times has never entirely gone away. For example, the CCP would likely unleash its People's Liberation Army on Taiwan if the island ever declared independence. It's hard to think of other instances where the threat of war is contingent on a single utterance.

Read more: <https://www.aspistrategist.org.au/the-wickedness-of-china/>

21. Gina Rinehart inks live cattle deal with China

08/06/2017

Sarah-Jane Tasker

The Australian

Australian billionaire Gina Rinehart has inked an agreement with China to export live cattle to the economic powerhouse in a deal that could be valued at more than \$500 million if the maximum export capacity is hit.

Hancock Prospecting has revealed tonight that it has signed a strategic co-operation agreement with Zhejiang Aozhou Cattle Industry, a company formed to develop a cattle facility on Jintang Island, China. The newly created Chinese entity has been formed by Sino-Australia Modern Industry Park, New Hope Group, Zhejiang Seaport Group and Harvest Fund.

"Australia needs to export currently two thirds of its cattle, so overseas markets must continue to be developed if we are to grow our cattle industry," Mrs Rinehart, executive chairman of Hancock, said.

Read more (Paywall):

<http://www.theaustralian.com.au/business/gina-rinehart-inks-live-cattle-deal-wit-h-china/news-story/56138d5c82bfbd200c08445b2cfd16d>

22. Chinese soft power is alive and well in Australia

08/06/2017

Wanning Sun

Australian Financial Review

The more that migrant community members are regarded as equal partners in the political and social processes of the nation, the more likely they are to fulfil their own duties and responsibilities as Australian citizens, and identify with and embrace the democratic values of their adopted country. The Chinese community is no exception to this.

Among the various Asian diasporic communities in Australia, Chinese-speaking migrant communities present a distinct set of challenges and opportunities to Australia's political, economic, social, and foreign relations agenda. For many years, Australia's Chinese communities have been the most diverse and complex in terms of dialect, linguistic competence, place of origin, history of migration, political allegiance, and socioeconomic status. Now the growing scale and influence of the local Chinese language media is posing challenges to how the Australian government (and the mainstream media) respond to the country's Chinese diaspora.

Read more (Paywall):

<http://www.afr.com/news/world/asia/chinese-soft-power-is-alive-and-well-in-australia-20170605-gwko6n>

23. A financial crisis in China could also take down Australia

08/06/2017

Carrington Clarke

ABC News

Australia managed to survive the global financial crisis with the help of a huge stimulus program from China.

Chinese demand for Australian minerals prevented our economy from tanking.

However, almost a decade later, doubts have arisen about the health of the Chinese economy.

“The last couple of data points have been weaker, but I think the real impact of that will only be seen in the next few quarters,” said Julian Evans-Pritchard, the China economist of Capital Economics.

“So we are quite wary of whether the current strength [of the] economy can be sustained for much longer.”

Read more:

<http://www.abc.net.au/news/2017-06-08/china-debt-may-cause-next-australian-financial-crisis/8602086>

24. Donations row engulfs Turnbull's team

09/06/2017

Simon Benson

The Australian

A senior member of Malcolm Turnbull's campaign team had directly solicited a political donation prior to last year's election campaign from Chinese-born Australian billionaire Chau Chak Wing, who is now at the centre of a political storm over foreign donations and political influence.

The Australian has also confirmed that Labor Party officials at both state and federal branch levels were even more vigorous in their approaches to Dr Chau in seeking donations for last year's election campaign.

Dr Chau, an Australian citizen of 20 years, hit back at suggestions he was a puppet of China's Communist Party, telling *The Australian* that many of the donations he had made to both sides of politics were in response to approaches from political party officials. This has been backed up by senior officials from both major parties, who have admitted they saw Dr Chau as a cash cow for their election campaigns.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/donations-row-engulfs-turnbulls-team/news-story/870e21ad2c885cbaaa065e024129cf05>

25. China dream still alive with ANZ hungry for institutional growth

09/06/2017

Rowan Callick
The Australian

As ANZ's board visited Beijing and Shanghai this week with a special focus on online commerce, chief executive Shayne Elliott stressed that while the bank was selling down its retail presence in Asia, "we haven't lost ambition" for institutional growth in the region.

In an interview on ANZ's global strategy, he told *The Australian* that greater China — where it is Australia's biggest investor after BlueScope Steel — remained the bank's biggest operation outside Australia and New Zealand.

"Asia, and particularly China, is already a critical part of our institutional business" around which the bank's regional strategy had refocused, he said, "and I expect it will become even more so."

Read more (Paywall):

<http://www.theaustralian.com.au/business/financial-services/china-dream-still-alive-with-anz-hungry-for-institutional-growth/news-story/d8f83d1ce9dc1aab0bd51fcbb881ab1d>