

Media Roundup Issue 31 (29/07/17 – 04/08/17)

1. ALP takes 'illegal' tobacco donations from big Chinese cigarette importer

30/07/2017

**Nick McKenzie, Richard Baker, James Massola
The Age**

A director of a tobacco company that is suspected of smuggling cigarettes has donated \$400,000 to the Labor Party, possibly breaching NSW law and the ALP's own ban on taking tobacco industry funds.

Peter Chen, the sole Australian director of Sydney tobacco company ATA International, donated to the NSW and federal Labor parties via another of his companies, Wei Wah, which retails the cheap Chinese brand cigarettes ATA imports.

The revelations come as Labor's Senator Sam Dastyari, who oversaw one of Mr Chen's donations, has called for a ban on donations.

"I was one of the weapon suppliers in this [donations] arms race and responsible for fundraising ... I'm telling you it needs to come to an end, and the time for that is now," Mr Dastyari told the ABC's Australian Story in an episode to be screened on Monday night.

Read more:

<http://www.theage.com.au/national/investigations/alp-takes-illegal-tobacco-donations-from-big-chinese-cigarette-importer-20170729-gxlcw1.html>

2. China's Xi Jinping tells People's Liberation Army to transform into elite force during military parade

31/07/2017

**Reuters
ABC**

President Xi Jinping has told the Chinese military to transform itself into an elite force, as he oversaw a parade with flybys of advanced jets and a mass rally of troops to mark 90 years since the founding of the People's Liberation Army (PLA).

China's armed forces, the world's largest, are undergoing an ambitious modernisation program, which includes investment in technology and new equipment such as stealth fighters and aircraft carriers, as well as cuts to troop numbers.

Mr Xi presided over the large-scale military parade at the remote Zhurihe training base in China's northern Inner Mongolia region, where he inspected troops from the back of a jeep, an event carried live on state television.

Read more:

<http://www.abc.net.au/news/2017-07-30/chinas-xi-calls-for-building-elite-forces-during-military-parade/8758052>

3. A Chinese Threat to Australian Openness

31/07/2017

**Merriden Varrall
New York Times**

Australians are increasingly concerned about China's growing influence in the country. Chinese money is being funneled to politicians. Beijing-run media outlets buy ads in Australian newspapers to promote the Communist Party view on local and regional issues. Chinese companies are buying Australian farms and natural resources.

The push extends to Australia's universities. Chinese agents are said to monitor Chinese students and report on those who fail to toe the Communist Party line. And in another troubling trend, many of the 150,000 visiting Chinese students are importing a pro-Beijing approach to the classroom that is stifling debate and openness.

In 2008-9 I taught international relations to undergraduates at a Chinese university in Beijing, giving me a window into Chinese students' attitudes and behavior. I was struck by the tendency for students to align themselves with the government view.

Read more (Paywall):

<https://www.nytimes.com/2017/07/31/opinion/australia-chinese-students.html>

4. Here's what Chinese online shoppers like to buy from Australia

02/08/2017

**Chris Pash
Business Insider Australia**

Online shoppers in China have a high regard for Australian products, seeing them as safe and value for money.

Australia, seen by Chinese consumers as a place with a good lifestyle, resonates so much that most plan to buy something from the country in the next 12 months, according to a study.

More than 8 in 10 (84%) Chinese online shoppers say they are highly likely to buy at least one Australian product in the next year, according to research commissioned by FedEx Express.

Read more:

<https://www.businessinsider.com.au/heres-what-chinese-online-shoppers-like-to-buy-from-australia-2017-8>

5. Australia should take Trump's trade threats against China 'very seriously': Lowy Institute

02/08/2017

Eryk Bagshaw

Sydney Morning Herald

The Turnbull government could be forced to choose between the military security of the US and the economic opportunity of China, experts warn, as President Donald Trump considers launching the first strike in a superpower trade war that could cause widespread damage to the Australian economy.

On Tuesday, a senior administration official told Reuters that Mr Trump was close to an announcement on China's "unfair trade practices," amid reports of a looming crackdown on intellectual property trade, sparking fears of a tit-for-tat raising of tariff barriers.

The confirmation followed a series of tweets from Mr Trump accusing the Asian power of earning billions of dollars a year from the US in trade while doing nothing to prevent the military threat from North Korea.

Read more:

<http://www.smh.com.au/federal-politics/political-news/australia-should-take-trumps-trade-threats-against-china-very-seriously-lowy-institute-20170802-qxnk4c.html>

6. A Deal for an Australian Dairy Wrapped in Layers of Chinese Loans

02/08/2017

Jane Perlez and Ryan McMorro

New York Times

Not long after China's leader, Xi Jinping, visited the remote island state of Tasmania, a little-known Chinese entrepreneur with big ambitions followed in his footsteps, buying Australia's largest dairy, with 20,000 cows and rolling green pastures, for more than \$200 million.

It looked like a good match. Australia was hungry for Chinese money. And the businessman, Lu Xianfeng, presented himself as a well-heeled investor, promising to protect existing jobs and add even more.

Like much of the splashier overseas spending by Chinese conglomerates, the acquisition of the dairy was financed by layers upon layers of debt, the type of financial complexity and opaque deal making that worry regulators in China and around the world.

Read more (Paywall):

<https://www.nytimes.com/2017/08/02/world/australia/china-australia-dairy.html>

7. Trump threats over China trade are bad news for Australia

03/08/2017

**Robert Gottliebsen
The Australian**

Forty-one minutes before the opening bell on Wall Street last night President Trump tweeted: "Stock Market could hit all-time high --- 22,000 today".

And he was right, but as he tweeted a change in the US trade environment was being signalled.

But Wall Street took no notice and a surge in Apple stock carried the Dow past the milestone soon after the opening bell.

Trump was right, albeit unusual for US presidents to get into day-to-day market comments.

Read more (Paywall):

<http://www.theaustralian.com.au/business/opinion/robert-gottliebsen/trump-threats-over-china-trade-are-bad-news-for-australia/news-story/d8bd92d1f2335815b7bcf7b1bfa81ce3>

8. China VPN crackdown weighs on foreign firms

03/08/2017

**Liza Linin and Josh China
The Australian**

China's moves to tighten the screws on its already heavily gated internet stand to significantly raise the costs and level of difficulty for foreign companies doing business in the country.

The government's recent crackdown on tools that allow internet users to circumvent the country's elaborate system of web filters could make it harder for companies to communicate with business partners, clients and suppliers overseas.

The effort to block use of unapproved virtual private networks, or VPNs, and uncertainty over internet access is already weighing on foreign companies operations in China, say foreign business groups.

Read more (Paywall):

<http://www.theaustralian.com.au/business/wall-street-journal/china-vpn-crackdown-weighs-on-foreign-firms/news-story/d192eef3d3661ee5eaafd0a42e6727a8>

9. Julie Bishop to push for tougher sanctions against North Korea at ASEAN security forum

04/08/2017

Lindsay Murdoch

Sydney Morning Herald

Foreign Minister Julie Bishop will this weekend push for a further widening of sanctions against North Korea at Asia's biggest security forum where the rogue state faces a diplomatic barrage over its nuclear weapons program.

"We believe there is more other countries can do to put pressure on this nation to change its behaviour, including nations that have financial relationships with North Korea and that, of course, includes China," Ms Bishop said during a two-day visit to Thailand.

Read more:

<http://www.smh.com.au/world/julie-bishop-to-push-for-tougher-sanctions-against-north-korea-at-asean-security-forum-20170803-gxp0ja.html>