

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

Media Roundup Issue 59 (17/02/18 – 23/02/18)

1. Publish and be free: a note to our politicians

14/02/2018 Nick McKenzie Sydney Morning Herald

Clive Hamilton's book will now be released on 26/02/2018

A small number of committee members, among them shadow attorney-general Mark Dreyfus, have, according to sources, sought to stymie plans by committee chair (Liberal Andrew Hastie) and deputy chair (Labor's Anthony Byrne) to publish as a submission the manuscript of a book detailing China's_interference and influence operation in Australia. Regardless of whether it is right or wrong, the book is the most exhaustive analysis of the problem that Turnbull's laws seek to address.

Sources have claimed that at least one influential voice on the committee has privately flagged he is concerned about fall-out from China if the committee was to also publish.

It is vital the laws do not discriminate, just as it is vital that all Australians, from the mainstream media to Chinese-Australians, can protest and publish free of pressure from government agents, be they our own or those of a foreign power.

Read more: https://amp.smh.com.au/federal-politics/political-news/publish-and-befree-a-note-to-our-politicians-20180214-p4z0bi.html?_twitter_impression=true

2. Australian arrested in China after gambling raid: DFAT

15/02/2018 **Michael Smith Australian Financial Review**

The Department of Foreign Affairs and Trade has confirmed an Australian man has been arrested in China following a crackdown on online gambling ahead of Chinese New Year which saw 52 people detained.

"The Department of Foreign Affairs and Trade is arranging consular assistance to an Australian who has been arrested in China, in accordance with the



Consular Services Charter. Owing to our privacy obligations we will not provide further comment," a DFAT spokesperson said.

The spokesperson did not say why the person had been arrested, but was responding to a report in *The Australian Financial Review* on Thursday that an Australian was detained last week in Jiangsu, a coastal province north of Shanghai, as part of a series of raids across a number of Chinese cities. The man is believed to be Chinese born but has an Australian passport.

Read more (Paywall): <u>http://www.afr.com/news/world/asia/australian-arrested-in-</u> <u>china-after-gambling-raid-dfat-20180215-h0w4q7</u>

3. Universities fear payback as anti-China rhetoric escalates

15/02/2018 Phillip Coorey Australian Financial Review

The nation's top universities fear they are becoming collateral damage in the war of rhetoric with China after Beijing issued a blanket warning to current and potential students that Australia was an unsafe place.

The statement, written in Mandarin and published on the Chinese Embassy website and the Chinese Ministry of Education's official "Study Abroad Alerts" website, has alarmed the university sector which believes it is a veiled threat of financial retaliation should the Turnbull government continue to take a hard line against Beijing.

Australia's top eight universities are heavily dependent on Chinese students with about 95,000 enrolments worth hundred of millions of dollars a year in revenue.

Read more (Paywall): <u>http://www.afr.com/news/universities-fear-payback-as-</u> <u>antichina-rhetoric-escalates-20180214-h0w3yv</u>

4. Australia mulls rival to China's 'belt and road' with US, Japan, India

18/02/2018 Phillip Coorey Australian Financial Review



Australia is discussing with the United States, India and Japan the establishment of a joint regional infrastructure scheme to rival China's multibillion-dollar Belt and Road Initiative in an attempt to counter Beijing's spreading influence.

Prime Minister Malcolm Turnbull is expected to discuss the idea during talks in Washington DC this week, possibly during a scheduled meeting with US President Donald Trump.

A senior US Official told The Australian Financial Review the plan involving four regional partners was still "nascent" and "won't be ripe enough to be announced' during Mr Turnbull's visit, but was being seriously discussed.

He preferred to describe the plan as an "alternative" to the Belt and Road Initiative rather than a "rival".

Read more (Paywall): <u>http://www.afr.com/news/australia-mulls-rival-to-chinas-belt-</u> <u>and-road-with-us-japan-india-20180216-h0w7k5#ixzz57blclZhp</u>

5. US looks to Australia on China interference

18/02/2018 John Kehoe Australian Financial Review

The Trump administration is closely analysing China's alleged interference attempts in Australia's democratic institutions as a case study to help calibrate Washington's own push-back against perceived Beijing meddling in the United States.

The Turnbull government's proposed foreign interference crackdown is viewed in Washington as being at the international forefront of responding to China's rising international sway, as the US seeks to protect public institutions, the media, universities and think tanks from undue and non-transparent foreign influence.

Speaking to The Australian Financial Review ahead of Prime Minister Malcolm Turnbull's White House visit this week, a senior US administration official said the US had "watched very closely the revelations about interference in Australia's democracy and civil society."

Read more (Paywall): <u>http://www.afr.com/news/us-looks-to-australia-on-china-interference-20180217-h0w95n#ixzz57bH00IfY</u>



6. China's great leap forward in science

18/02/2018 Philip Ball The Guardian

Chinese investment is paying off with serious advances in biotech, computing and space. Are they edging ahead of the West?

I first met Xiaogang Peng in the summer of 1992 at Jilin University in Changchun, in the remote north-east of China, where he was a postgraduate student in the department of chemistry. He told me that his dream was to get a place at a top American lab. Now, Xiaogang was evidently smart and hard-working – but so, as far as I could see, were most Chinese science students. I wished him well, but couldn't help thinking he'd set himself a massive challenge.

Fast forward four years to when, as an editor at *Nature*, I publish a paper on nanotechnology from world-leading chemists at the University of California at Berkeley. Among them was Xiaogang. That 1996 paper now appears in a 10-volume compendium of the all-time best of *Nature* papers being published in translation in China.

Read more: <u>https://www.theguardian.com/science/2018/feb/18/china-great-leap-forward-science-research-innovation-investment-5g-genetics-quantum-internet</u>

7. In Australia, Staying Loyal to Taiwan Can Mean Losing a Job

18/02/2018 Damien Cave & Xiuzhong Xu The New York Times

During her second week waitressing at a barbecue restaurant in Sydney, a customer asked Yating Yang if she was Chinese. "No, I'm Taiwanese," she said.

Her boss, who was from mainland China, never gave her another shift.

Man-Tzu Tuan said her loyalty test came even sooner: on her first day at a hot pot restaurant in a comfortable Sydney suburb. "Is Taiwan part of China?" her manager asked in Mandarin over a walkie talkie. "No, definitely not," she said.

A half-hour later, she was fired.



Read more: <u>https://www.nytimes.com/2018/02/18/world/australia/china-taiwan-</u> <u>discrimination.html</u>

8. Europe signals alarm at assertive China's Belt and Road initiative

18/02/2018 Laura Tingle Australian Financial Review

European leaders have singled out a new assertiveness by China, particularly its Belt and Road Initiative, as a spur to develop a joint foreign policy that could see Europe contest China's infrastructure drive into central Asia.

Despite a range of major foreign policy headaches closer to home including Russian aggression, a flailing defence relationship with the United States and Brexit, European leaders attending a major security summit in Munich on the weekend made time to speak of the challenges posed by China's Belt and Road initiative – a massive infrastructure play that is pushing Chinese development of road and sea lanes towards Europe across Central Asia.

German Foreign Minister Sigmar Gabriel, European Commission President Jean-Claude Juncker and French Prime minister Édouard Philippe all spoke at the Munich Security Conference of the challenges to Western liberalism and the prevailing world order laid down by the rise of China and other authoritarian regimes.

Read more (Paywall): <u>http://www.afr.com/news/world/europe/europe-signals-alarm-</u> <u>at-assertive-chinas-belt-and-road-initiative-20180217-h0w95z</u>

<u>9. Chinese Australians hear 'eerie echoes of community</u> <u>scapegoating'</u>

19/02/2018 Kristy Needham Sydney Morning Herald

A peak Chinese Australian community group says the foreign influence debate in Australia has unleashed "eerie echoes of community scapegoating" and the "revival of suspicion" towards Chinese Australians.

The vice president of the Chinese Community Council of Australia, lawyer Kingsley Liu, has urged the Turnbull government to engage with Chinese



Australian community groups before finalising its foreign influence legislation, because they will bear the brunt of it.

After holding community meetings in the past fortnight in Sydney and Melbourne, with members of diverse origin including China, Taiwan, Hong Kong, Singapore, Malaysia and Indonesia, the council lodged a late submission to the inquiry.

Read more: <u>http://www.smh.com.au/federal-politics/political-news/chinese-</u> <u>australians-hear-eerie-echoes-of-community-scapegoating-20180219-p4z0vx.html</u>

<u>10. Australia's anti-China stance is a misguided attempt to cosy up to</u> <u>Trump</u>

19/02/2018 Bob Carr South China Morning Post

Australian Prime Minister Malcolm Turnbull is in Washington, able to tell Americans that in 12 months he has positioned Australia as the most anti-Chinese of all America's allies. In fact, he can boast that, under his leadership, Australia has jettisoned a consensus on China policy that stretched from diplomatic recognition in 1972 to the decision to join the Asian Infrastructure Investment Bank in 2015.

A hard ideological edge now shapes policy. It was signalled last year when Foreign Minister Julie Bishop said China would never reach its economic potential until it became a democracy. This was the first time an Australian leader had elevated the issue of China's political system.

The tone continued throughout 2017, and on December 7 the prime minister stood on the floor of Parliament and taunted China in language the leader of no Western country would be likely to use. He chose the words, attributed to Mao in his opening address at the Chinese People's Political Consultative Conference in 1949, that "the Chinese people have stood up". He repeated it and said, that in respect to China, "...the Australian people stand up and assert their sovereignty in our nation".

Read more: <u>http://www.scmp.com/comment/insight-</u> opinion/article/2133792/australias-anti-china-stance-misguided-attempt-cosy-trump



11. Labor has a cancer growing in it that must be cut out

19/02/2018 Clive Hamilton Sydney Morning Herald

Canberra is finally beginning to push back against Beijing's long-running campaign to seduce our elites so completely that the nation kow-tows before China's wishes.

The first phase of the pushback culminated in December with the Turnbull government introducing legislation to outlaw foreign interference operations and novel forms of espionage. Afraid that its well-made plans will be thwarted, Beijing has been making panicky claims that it's all motivated by "anti-Chinese racism".

Led by shadow attorney-general Mark Dreyfus, the Labor Party is gearing up to oppose the legislation. Dreyfus says his concern is to protect press freedom, but that is being used to undermine the rationale of the laws themselves. Amending the legislation to protect democratic freedoms is easy.

Read more: <u>http://www.smh.com.au/federal-politics/political-news/labor-has-a-</u> cancer-growing-in-it-that-must-be-cut-out-20180217-p4z0q4.html

12. Julie Bishop urges UK to up its security role in the Indo-Pacific

20/02/2018 Ben Packham The Australian

Julie Bishop is urging Britain to strengthen its security role in the Indo-Pacific, as the US focuses on domestic concerns and Britain looks to China for it post-Brexit economic future.

In a speech to be delivered in London today, the Foreign Minister will warn that peace and order cannot be taken for granted in the region, where China's booming economy and large military budget have focused the attention of neighbours.

She will say greater economic interdependence has in some cases been accompanied by worsening security relations between countries, and it is "vital" that Britain and Australia work to preserve the rules-based order across the region.



Read more (Paywall): <u>https://www.theaustralian.com.au/national-affairs/foreign-affairs/julie-bishop-urges-uk-to-up-its-security-role-in-the-indopacific/news-story/6ac8da70699ed81375c220b30a97dc64</u>

13. China is not corrupting ALP

20/02/2018 Paul Keating The Sydney Morning Herald

Clive Hamilton claims the Labor Party, and the NSW grouping within it, is subject to and corrupted by the influence of the Chinese Communist Party ("Labor's growing cancer must be cut out", February 19). This is completely without foundation.

Hamilton, a pedar of prejudices, spent the last decade and half trying to tell Australians that the market economics introduced under Bob Hawke's and my own government were prejudicial to Australia's economic interests and were never the policies of a real Labor government. This is despite the fact that Australia has now experienced 27 years of growth and trebled its national income.

It is as if the rise of China hasn't happened; as if we should view a quarter of humanity with an economy as large as the US and our biggest trading partner as somehow illegitimate. And when any number of us, Kevin Rudd, Bob Carr, me, argue that because of its scale, Australia must have a policy towards China, both strategic and economic - a policy which suits Australia and not necessarily that of the US, Hamilton labels such views as "a cancer".

Read more: <u>http://www.smh.com.au/comment/smh-letters/lets-see-corporations-pay-their-full-tax-obligations-before-talk-of-cuts-20180218-h0waaz.html</u>

14. Australia's iron(ic) curtain hurting China ties

20/02/2018 Gregory McCarthy East Asia Forum

2017 was earmarked to celebrate 45 years of Australian–Chinese diplomatic relations. Instead, Australia alleged that China interfered in its national affairs and the *China Daily* reported that an on-line poll had voted Australia as the 'least



friendly nation to China in 2017'. Likewise, a *Global Times* editorial accused Australia of McCarthyism and said that Australia had gone insane regarding the issue of China.

Engagement between China and Australia has evolved through crucial phases of development. In 1972, the recognition of China was seen through the prism of the Cold War, even as former Australian prime minister Gough Whitlam valiantly tried to step out of this mindset. There was a sea change in the 1980s after then Chinese leader Deng Xiaoping's reforms and their emphasis on integrating China into the global capitalist order, the assumption being China was becoming 'like us'.

Read more: <u>http://www.eastasiaforum.org/2018/02/20/australias-ironic-curtain-</u> <u>hurting-china-ties/</u>

15. Malcolm Turnbull pushes TPP, plays down China 'threat'

21/02/2018 Phillip Coorey Australian Financial Review

Malcolm Turnbull has pushed the Trump Administration over its opposition to the Trans-Pacific Partnership by arguing the 11-nation free trade deal will help provide a secure investment environment for regional infrastructure – which is an emerging strategic priority for Washington.

With Australia, the United States, India and Japan discussing a joint regional infrastructure venture as an alternative to China's Belt and Road Initiative, Mr Turnbull said the problem was not a shortage of capital when it came to funding the "trillions and trillions of dollars of additional infrastructure investment" needed in the region.

"What there is a shortage of, in many countries, is the legal and governance framework to enable companies and fund managers ... to invest and be satisfied that their investments are secure, that there are proper bankruptcy laws to deal with the situation if things go wrong, all of that legal protection that people can find in Australia," he said.

Read more (Paywall): <u>http://www.afr.com/news/malcolm-turnbull-pushes-tpp-plays-</u> <u>down-china-threat-20180221-h0wepj?btis</u>



16. Clive Hamilton: poking the Chinese dragon

21/02/2018 Rowan Callick The Australian

The debate on the growing influence of the Chinese government within Australian institutions, which has grabbed the attention of policymakers around the world, is about to roar decibels louder.

For *Silent Invasion*, Clive Hamilton's controversial new 350-page book that was knocked back by several nervous publishers before finally being taken on by Hardie Grant, will raise a noisy row when it goes on sale on Monday.

One of Australia's best-known public intellectuals, Hamilton is not easily silenced.

He has pursued a succession of big-picture issues that he has identified as challenging our national wellbeing, most famously climate change and consumerism.

Read more (Paywall): <u>https://www.theaustralian.com.au/news/inquirer/clive-hamilton-poking-the-chinese-dragon/news-</u> <u>story/eef6add51ca1e0919236984b7f0b96be</u>

17. China pressures Australia through higher education sector

21/02/2018 Sian Powell The Australian

Increasing signs that China is using its \$9 billion annual spend by international students as leverage in its increasingly tense relations with Australia has prompted rapid action in Canberra to try to limit the damage in one of the - nation's most lucrative export markets.

More than 20 Chinese school visits to NSW have recently been cancelled and at least four high-level meetings between Australian vice-chancellors and senior Chinese education figures scheduled for January have been "postponed".

Last week China's consulate in Sydney posted a message on its website warning students of the potential dangers of studying in Australia.



Read more (Paywall): <u>https://www.theaustralian.com.au/higher-education/china-</u> <u>pressures-australia-through-higher-education-sector/news-</u> <u>story/17344b0df8b59a560ff48431a5fcd2a3</u>

<u>18. Brits call for united front of involvement to loosen China Belt</u> <u>fears</u>

21/02/2018 Primrose Riordan The Australian

The British government has urged Australia to join it in getting involved in China's signature Belt Road Initiative, despite unprecedented warnings about the scheme from EU leaders and incoming US ambassador Harry Harris last week.

The British Minister of State for Asia and the Pacific, Mark Field, said "in his heart" he had the same concerns about the BRI as Australia but believed Western involvement would counter fears the scheme was simply about building China's geopolitical power. "In my heart I understand some of the concerns that have been raised about this issue but it does strike me that one of the most effective ways we could play a part in assuaging these concerns is for other countries to have an involvement in that process," he told *The Australian*.

"Some of the expertise that the UK and indeed Australia has to add to Belt and Road can go some way to ensuring that some of the bigger concerns about what Belt and Road might mean in geopolitical terms can be assuaged."

Read more (Paywall): <u>https://www.theaustralian.com.au/national-affairs/foreign-affairs/brits-call-for-united-front-of-involvement-to-loosen-china-belt-fears/news-story/33d87b93b8bb4f68cf7e347208322cf3</u>

19. Whitlam had it easier on China policy

21/02/2018 Bob Carr Sydney Morning Herald

When Labor statesman Gough Whitlam opened relations with China it was a Maoist tyranny, more like today's North Korea than today's China. It was sunk in poverty. Its people could not travel overseas. They couldn't move from village to village without party permission. It was illegal to own a small business. And China ran revolutionary movements in Southeast Asia.



No one would argue that today's China is a democracy or defend its record on human rights.

But, as Bob Hawke points out, its people have vastly more freedom. They can change jobs and buy their own houses. One hundred million a year travel overseas. Public sector employment in China as a percentage of the labour pool is smaller than Australia, even including state-owned enterprises.

Read more: <u>http://www.smh.com.au/federal-politics/political-opinion/whitlam-had-it-easier-on-china-policy-20180220-p4z0z9.html</u>

20. Canada-China trade deal: Is Ottawa selling out our democratic values?

21/02/2018 Charles Burton The Conversation

Australia is not the only nation currently struggling with allegations of CPC interference and unknown funding sources.

According to the Xinhua News Agency, a senior Chinese official had a favourable reception last month when he visited Ottawa to try to reframe the stalled trade talks with Canada.

China's official state news agency said that Song Tao — who heads the Communist Party Central Committee's International Liaison Department briefed Canadian officials on Beijing's plan to displace the United States as the world's superpower.

It intends to do so by "building of a community with a shared future for mankind," which Xinhua added is "not only important to China but bears profound interest for the rest of the world."

If the Xinhua report is accurate, Canada is blithely considering a Chinese Communist proposal to sell out the liberal values that define global institutions like the United Nations and World Trade Organization in favour of a made-in-China model that will serve Beijing's authoritarian nationalist aspirations.

Read more: <u>https://theconversation.com/canada-china-trade-deal-is-ottawa-selling-out-our-democratic-values-91970?utm_medium=ampemail&utm_source=email</u>



21. Chinese agents are undermining Australia's sovereignty, Clive Hamilton's controversial new book claims

22/02/2018 Dylan Welch ABC News

Thousands of agents of the Chinese state have integrated themselves into Australian public life — from the high spheres of politics, academia and business all the way down to suburban churches and local writers' groups — according to a controversial book to be published on Monday.

The book, Silent Invasion: How China Is Turning Australia into a Puppet State, is written by Clive Hamilton, professor of public ethics at Charles Sturt University.

In it, he alleges that a systematic Chinese government campaign of espionage and influence peddling is leading to "the erosion of Australian sovereignty".

That erosion is caused, in part, by a recent wave of Chinese migration to Australia including "billionaires with shady histories and tight links to the [Chinese Communist] party, media owners creating Beijing mouthpieces, 'patriotic' students brainwashed from birth, and professionals marshalled into pro-Beijing associations set up by the Chinese embassy," Professor Hamilton writes.

Read more: <u>http://mobile.abc.net.au/news/2018-02-22/book-reveals-extent-of-</u> <u>chinese-influence-in-australia/9464692?pfmredir=sm</u>

22. China risk for university sector

22/02/2018 The Australian

Yesterday we reported troubling signs that China might vent its displeasure with Australia by meting out economic punishment to our universities. Meetings between Australian vice-chancellors and Chinese officials have been postponed, and China's consulate in Sydney has issued an ill-founded warning on the potential dangers facing students in Australia. This may be a fleeting demonstration of China's power as the No 1 source of overseas students in Australia; it may be a portent of serious damage to come.

What is certain is that Beijing has not taken kindly to media exposure of its influence peddling in Australia, or to the federal government's proposal to take



stern measures against foreign interference in our democracy. (China is quite capable of economic retaliation; a decision by South Korea to deploy a US antimissile defence system led to damaging Chinese sanctions last year).

Read more (Paywall): <u>https://www.theaustralian.com.au/opinion/editorials/china-</u> <u>risk-for-university-sector/news-story/7b7026c94396819de02638aa445d2c50</u>

23. Rubio calls for US-Australian plan to fight Chinese political influence

22/02/2018 Cameron Stewart The Australian

US Republican senator Marco Rubio has called on Malcolm Turnbull and Donald Trump to work together to develop joint strategies to counter China's growing political interference.

Senator Rubio said this week's visit to Washington by the Prime Minister was an opportunity for the US to join forces with Australia to head off what he said was a global push by Beijing to undermine and infiltrate Western democracies.

Senator Rubio, who heads an influential congressional committee on China, said the Chinese government was engaged "in the long game to fundamentally reshape the post-war liberal order".

"While Australia has been on the frontlines in this fight, Chinese influence operations and ambitions are global in scope, including here in the United States," he said.

Read more (Paywall): <u>https://www.theaustralian.com.au/national-affairs/foreign-affairs/rubio-calls-for-usaustralian-plan-to-fight-chinese-political-influence/news-story/3df54aef3cf3392ea357b902c92186ac</u>

24. ANU's Chinese studies centre in disarray: review

23/02/2018 Primrose Riordan The Australian

China studies at the Australian National University are in disarray and face an overhaul after a damning external review revealed Kevin Rudd's \$53 million China in the World centre was close to collapse, facing a \$9m deficit.



The review — written by a senior DFAT official along with professors from Harvard, Oxford and the National University of Singapore and obtained by *The Australian* — warns of a "dire" situation amid concerns about the Chinese government's increased influence in Australia.

"China is increasingly seeking to influence policy and debate in key sectors of the Australian economy and society, including Chinese communities in Australia," the review panel said. "No major research university can afford to neglect the rise of China ... yet at present ANU is not prepared to rise to these challenges."

Read more (Paywall): <u>https://www.theaustralian.com.au/higher-education/anus-</u> <u>chinese-studies-centre-in-disarray-review/news-</u> <u>story/cdf4d49360658a43b340644e0ec04982</u>

25. Tone down China rhetoric, Andrew Robb urges

23/02/2018 Glenda Korporaal The Australian

Former trade minister Andrew Robb has urged the federal government to tone down anti-Chinese rhetoric and "urgently" lower the temperature of its strained relationship with China.

Addressing a dinner of Asialink Business in Sydney on Wednesday night, Mr Robb said Australia needed "nuance" in its relations with Asian countries, particularly China, and recognise the "humiliation" many countries in the region had suffered at the hands of foreign powers.

"The level of rhetoric between Australia and China over the last 12 months needs to be far better managed," he said. "Legitimate issues need to be addressed, but without being accompanied by the often offensive rhetoric."

Mr Robb said Australia needed to be careful how it dealt with major countries in Asia "while still representing our own sovereignty."

Read more (Paywall): <u>https://www.theaustralian.com.au/business/tone-down-china-</u> <u>rhetoric-robb-urges/news-story/2694244a9c13f06c41442950b3751a66</u>