

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

Media Roundup Issue 63 (17/03/18 – 23/03/18)

1. Australia's China debate needs nuance

17/03/2018 Wanning Sun East Asia Forum

While online Chinese-language media in Australia is often singled out as evidence of Beijing's control of the Australian-Chinese community, what is not acknowledged is that pro-Australian patriotism is routinely expressed in these spaces as well. To be sure, there are stories that cast <u>Chinese people in a favourable light</u> and outbursts of pro-Chinese patriotism from time to time, especially on issues of territorial sovereignty. But these Chinese-language websites also run stories that show Chinese individuals behaving badly, stories about random kindness from Australian strangers and stories about how humane and egalitarian Australian society is.

By comparison, current mainstream Australian discourses about China seem to demonstrate less capacity for <a href="https://handling.ncbi.nlm.n

Read more: http://www.eastasiaforum.org/2018/03/17/australias-china-debate-needs-nuance/

2. Australia joins infrastructure game with alternative to China's 'Belt and Road'

18/03/2018
Greg Earl
Australian Financial Review



Australia has taken the first public step towards joining the new Great Game in Asia with its plan to strengthen infrastructure development cooperation with Southeast Asian countries.

The plan should be welcomed by regional countries who have made it clear they will accept China's offer of infrastructure finance via the <u>Belt and Road Initiative</u> (<u>BRI</u>) but want more help integrating projects and making sure they are well-built.

Competition over the development of infrastructure is emerging as the frontline of geo-political competition in Asia as China has moved to fill the void of an estimated need for \$US26 trillion in new infrastructure over the next 15 years with moves such as the BRI and the Asian Infrastructure Investment Bank (AIIB).

Japanese Prime Minister Shinzo Abe has led a strategic response to this in the past few months promising more Japanese soft funding, urging that the revived quadrilateral partnership of democracies with Australia, the US and India take on an infrastructure role and developing links with India on African infrastructure.

Read more (Paywall): http://www.afr.com/business/infrastructure/australia-joins-great-game-with-alternative-to-chinas-belt-and-road-20180318-h0xmt2

3. China sees maritime periphery as 'deeply hostile', Rudd tells US cadets

18/03/2018 Kirsty Needham Sydney Morning Herald

Beijing: Former Australian prime minister Kevin Rudd has told the Westpoint military academy in the United States that China sees its maritime periphery as "deeply hostile" and the region as allied against it.

He urged America's future military leaders to understand how Chinese leaders think "and how the world should most productively engage with them".

"The Chinese are fundamentally fixated on the formidable array of US military assets deployed by US Pacific Command across the entire region," he said.



China's response was to seek to fracture the ring of US allies, which includes Australia.

China had missile forces targeted in a strategy of "air-sea denial" to cause doubt in the minds of US Pacific Command on the "winnability" of large US military operations in support of Taiwan, or in the South China Sea.

Read more: https://www.smh.com.au/world/asia/china-sees-maritime-periphery-as-deeply-hostile-rudd-tells-us-cadets-20180318-p4z4yd.html

4. Turnbull should visit China to improve ties, says ICC chief

19/03/2018 Glenda Korporaal The Australian

Corrs Chambers Westgarth chief executive John Denton has called on Malcolm Turnbull to visit China this year to improve strained ties between the two countries.

Mr Denton, who was recently appointed the chief executive of the Paris-based International Chamber of Commerce, told *The Australian* the nation needed to develop a "new, positive narrative" about its ties with China.

"There are two critical dimensions in Australia-China relations — the security dimension and the economic dimension," he said.

"At the moment the dominance of the discussion has been in relation to the security dimension and there has been less of a focus on the economic dimension.

"It is important we start developing a new narrative on the relationship with China — a positive narrative about the economic dimension."

Read more (Paywall): https://www.theaustralian.com.au/business/turnbull-should-visit-china-to-improve-ties-says-icc-chief/news-story/77d0e7e40843f132e08d59649fc72122



5. Australia says trade relationship with China remains strong

19/03/2018
Michael Smith
Australian Financial Review

The Australian government will lead a delegation of business leaders to China in November as it seeks to downplay fears that political tensions between the two countries are a threat to the bilateral trade relationship.

Trade Minister Steve Ciobo told an audience in Hong Kong on Monday that he has a good relationship with China's senior trade and finance officials and was committed to resolving any investment issues between the two countries. Australia over the weekend took the first steps to joining Japan, India and the United States to create an infrastructure body which is seen as a counter to China's Belt and Road project.

Seeking to contain any fallout from Beijing over Australia's strengthening ties with regional allies, Mr Ciobo used the speech to praise China's economic transformation and the Belt and Road initiative, which he said would benefit Australian businesses. The trade minister also confirmed he would attend China's International Import Expo in Shanghai in November, saying Australia was the first country Beijing invited to attend.

Read more (Paywall): http://www.afr.com/news/world/asia/australia-says-trade-relationship-with-china-remains-strong-20180319-h0xnzr#ixzz5AMDMDoKA

6. Push China and they'll push back, ASEAN leaders told

19/03/2018 Primrose Riordan The Australian

Philippines Foreign Secretary Alan Peter Cayetano said Australia's new policy to manage China's rise — the quadrilateral grouping with Japan, India and the US — may start an arms race with China and see Beijing step up its island building.

The secretary, who represented President Rodrigo Duterte at the weekend's ASEAN Special Summit in Sydney, also pushed back against Australian criticism



of the Philippines over its failure to champion an international court ruling on the South China Sea.

He said the Philippines had to deal with China to stop "bleeding" territory as the US would be very unlikely to help it defend its maritime claims.

The weekend's \$56 million summit was seen by analysts as a means for Australia to improve its security and economic ties with ASEAN countries as the region underwent major changes.

Along with discussing trade deals such as the China-led Regional Economic Comprehensive Partnership, Australia also signed a counter-terrorism agreement to better align regional legislation and improve awareness of terrorists' use of encrypted communication and financing methods.

Read more (Paywall) https://www.theaustralian.com.au/national-affairs/national-security/push-china-and-theyll-push-back-asean-leaders-told/news-story/7e16ad83b148c111af5f8f3e76078738

7. Australia to take own path with China on intellectual property

19/03/2018 John Dure The Australian

Trade Minister Steve Ciobo today distanced himself from the US push to take action against China on intellectual property theft saying Australia had not faced the same issues.

Mr Ciobo was presenting at a Credit Suisse investment conference in Hong Kong where he stressed Australia's open door to new investment.

He made clear new FIRB rules were based on key areas like infrastructure and electricity.

The government will build a list of sensitive assets so any sales are flagged ahead of going to market.

"It means earlier decisions and fewer surprises," he said.



Read more (Paywall): https://www.theaustralian.com.au/business/australia-to-take-own-path-with-china-on-intellectual-property/news-story/19ccd80bef510ace75e6c0ad3d9def95

8. NSW launches \$47 million rescue package after China recycling ban

20/03/2018 Mark Solomons Sydney Morning Herald

The NSW government has set aside \$47 million to help consumers, local councils and the waste industry cope with the crisis caused by China's clampdown on imported recyclables.

China has been the biggest destination for recycled materials exported by Australia, accounting for more than a third of all plastics collected and significant amounts of paper and metals. But this year it effectively imposed a trade ban by imposing draconian limits on the contamination of material.

The move, under the so-called "China National Sword" policy, has thrown recycling systems around the world into disarray, with most western nations relying heavily on the Chinese market.

NSW Environment Minister Gabrielle Upton on Tuesday announced a rescue package to allow councils to offset the cost of kerbside recycling, improve tendering processes and fund community education to reduce contamination of recycled materials put in "yellow-lid" bins.

Read more: https://www.smh.com.au/environment/sustainability/nsw-launches-47-million-rescue-package-after-china-recycling-ban-20180320-p4z5cn.html

9. What the West Doesn't Get About Xi Jinping

20/03/2018 Kevin Rudd New York Times

The recent decision by China's National People's Congress to abolish term limits for the office of the president has sent shock waves through the West: Xi Jinping,



the current officeholder, is suddenly being described as a new Confucian autocrat, overseeing a state still governed by a Marxist-Leninist party, presiding over a selectively capitalist economy, with ambitions to make his country a global superpower.

This sense of shock says more about the West than China. For the last five years, Western leaders and analysts have often projected onto China an image of their preferred imaginings, rather than one reflecting the actual statements of China's own leaders, or in the physical evidence of Chinese statecraft. These have long pointed to a vastly different reality.

Mr. Xi has not suddenly changed. From early on, he demonstrated an unmatched level of political skill in rapidly consolidating power. To get to the top, he has outflanked, outmaneuvered, marginalized and then removed all his principal opponents. The story of his remarkable ascent is hardly a secret. And it's certainly not for the faint-hearted.

Read more: https://www.nytimes.com/2018/03/20/opinion/xi-jinping-china-west.html

<u>10. Book review – Clive Hamilton's Silent Invasion: China's Influence in Australia</u>

21/03/2018
Andrew Podger
The Conversation

On page 132 of <u>Clive Hamilton's highly charged attack</u> on China and Australian leaders' encouragement of closer ties, he reports that our former ambassador to China, Geoff Raby, "lamented the influence of the defence/security establishment which ... was placing too much emphasis on 'values' rather than economics".

This idea of a conflict between a defence view that emphasises democratic values and human rights, and an economic view that does not, lies at the heart of the book. But is it right?

Influenced, it seems, by some in the defence establishment, Hamilton believes the Cold War never ended in Asia. Rather, China's ideological war "fiercely" intensified after the collapse of communism in Eastern Europe, with its Leninist party consolidating its position, particularly under President Xi Jinping.



Read more: <u>https://theconversation.com/book-review-clive-hamiltons-silent-invasion-chinas-influence-in-australia-93650</u>

11. Stop relying on Chinese international students, ASEAN countries say to Australia

21/03/2018 Danuta Kozaki ABC News

Calls for Australia to stop relying so heavily on Chinese international students and start looking to its neighbours for students will be discussed at an ASEAN education meeting in Malaysia today.

Education is Australia's third largest export, and according to the federal Department of Education and Training, some 800,000 students came to study in 2017 alone, including at both school and higher education institutions.

Following on from last week's ASEAN (Association of Southeast Asian Nations) summit in Sydney, the inaugural ASEAN-Australia Education Dialogue would be held in Penang, Malaysia today.

"One of the key topics is how Australia can switch from its focus on China towards ASEAN member countries," Director of the ASEAN Focus Group Michael Fay said

"For some of the Australian universities, 40 per cent of their international students come from China.

Read more: http://www.abc.net.au/news/2018-03-21/stop-relying-chinese-international-students-asean-to-australia/9568462

12. China 'seeks to tilt our political landscape to its advantage'

22/03/2018
Cameron Stewart
The Australian

The powerful US House Armed Services Committee in Washington has been told by Malcolm Turnbull's former adviser how China has sought to brazenly



manipulate Australian society to 'tilt the political and strategic landscape to its advantage'.

John Garnaut, who until recently was principal adviser on international affairs for Prime Minister and Cabinet, was invited by the committee to Washington to testify. The move was a sign of the growing awareness in Washington about Chinese interference in education, business, politics and media in both Australia and the US.

Mr Garnaut told the committee today that the issue of Chinese 'interference' had become an enormous counterintelligence and law enforcement challenge in Australia and the US.

13. Chinese students angered by visa delays as state media issues 'red alert' to not enrol in Australia

22/03/2018
Vicky Xiuzhong Xu and Peggy Kong
ABC News

Chinese state media has issued a "red alert" advising students not to enrol in Australian universities after a series of public accusations that Canberra was delaying visas for politically motivated reasons.

Many Chinese students and scholars have said that their Australian visa applications have been taking "oddly long" since 2015, with most of those affected from an engineering or technology background.

"Australia thinks we are academic spies, or that there is some kind of grand conspiracy behind us," one student said.

Read more: http://www.abc.net.au/news/2018-03-22/chinese-students-angered-by-visa-processing-delays/9574838



14. First China ambassador calls for calm in influence debate

22/03/2018 Kirsty Needham & Tammy Mills Sydney Morning Herald

Beijing: Australia's first ambassador to China, Stephen Fitzgerald, has called for calm in the increasingly heated debate about Chinese government influence in Australia, adding that the Turnbull government should delay its foreign interference legislation.

Mr Fitzgerald is among 30 China scholars who have signed an open letter which describes the government's Foreign Influence Transparency Scheme is a threat to intellectual freedom.

"It takes a lot to get China scholars to agree," Fitzgerald told Fairfax Media.

"The last time it happened in Australia was in response to the Tiananmen massacre in 1989. This time, it concerns what is happening here in Australia, and the way in which debate about China and our relations with it is being prosecuted."

Read more: https://www.smh.com.au/world/asia/first-china-ambassador-calls-for-calm-in-influence-debate-20180322-p4z5r0.html

15. Australian critic of Beijing refused entry to China and deported

22/03/2018 Kelsey Munro The Guardian Australia

Former Parramatta councillor John Hugh sent home to Sydney in what he believes was retaliation for his political views

A Chinese-born Australian critic of the Beijing government has been refused entry to China and sent home to <u>Sydney</u> in what he believes was retaliation for his political views.

John Hugh, 51, a former Parramatta city councillor, flew to Shanghai on Tuesday with his mother on a private trip, intending to scatter his father's ashes.



"When I arrived, when everybody was ready to disembark, there was an announcement, requesting everyone to return to their seats," Hugh said. "Border security came on board. Then two uniformed officers came straight to me and were requesting me to present my passport and to take my belongings and go with them.

"I knew I must be on their blacklist."

Read more: https://www.theguardian.com/world/2018/mar/22/australian-critic-of-beijing-refused-entry-to-china-and-deported

16. What's changing in China?

22/03/2018 Rowan Callick The Australian

First, the good news. Chinese tourist numbers flying into Australia for this year's spring festival — Chinese New Year — were up a thumping 20 per cent on 2017.

Chinese student numbers enrolled in Australian institutions this year are up 7 per cent. Although the growth rate is below the previous year, such a rise is still substantial given that it's an increasingly mature market.

These are indicators that the economic relationship remains robust. For they are the sectors that might be especially vulnerable to policy shifts in Beijing.

The comprehensive strategic dialogue the countries hold involves annual meetings of prime ministers and other key ministers, which, following Premier Li Kegiang's visit to Australia last year, are due to take place in China in 2018.

These should help stabilise issues between the governments. The visits are likely to go ahead from May onwards. The Chinese team will be much the same, even after the massive restructuring of government under way in Beijing.

Read more (Paywall): https://www.theaustralian.com.au/opinion/columnists/rowan-callick/whats-changing-in-china/news-story/11297983f19490db2262c522e0721fa0



17. Chinese Communist Party takes firmer grip on propaganda levers

22/03/2018 Kirsty Needham Sydney Morning Herald

Beijing: The Communist Party has taken direct control over the Chinese media, and the party's organisation, "United Front" will take over all dealings with overseas Chinese, as president Xi Jinping continues to weaken the institutions of the state.

China's state run television and radio broadcasters will be merged into a new body called Voice of China, which is designed to improve China's influence overseas.

Voice of China will allow "correct guidance of public opinion" and will "strengthen international dissemination capacity building, and tell China stories well", according to a document released by the party's Central Committee.

The changes constitute a major shake up.

Xi is streamlining the government of China, and placing it more clearly under party supervision, to make it clear the Communist Party is in control.

Read more: <u>https://www.smh.com.au/world/asia/chinese-communist-party-takes-firmer-grip-on-propaganda-levers-20180322-p4z5p1.html</u>

18. China 'brazenly and aggressively' interfering with political systems

22/03/2018 Nick McKenzie Sydney

Prime Minister Malcolm Turnbull's former senior adviser on China has warned a powerful US Senate committee that Beijing is brazenly and aggressively seeking to interfere with Western political systems.

Testifying before the US House Committee on Armed Services, John Garnaut said the Chinese Communist Party (CCP) was targeting western nations to "tilt



the political and strategic landscapes to its advantage." A key aim, he said, was to undermine the relationship between the US and its allies.

Read more: https://www.smh.com.au/world/asia/china-brazenly-and-aggressively-interfering-with-political-systems-20180322-p4z5ke.html

19. Chinese state media accuses Australia of delaying student visas

23/03/2018 James Elton-Pyrn SBS News

The Communist Party-owned newspaper claims Chinese students are paying the price for recent diplomatic tensions

Chinese state-owned media has accused Canberra of delaying visas for Chinese students over diplomatic tensions between the two nations and a misplaced fear of espionage.

The state-owned Global Times newspaper also warned the Chinese Scholarship Council would now allow government-funded students to "switch to a different country" if their visa delays persisted.

"A group of Chinese PhD candidates and visiting scholars with offers from Australian universities have been waiting for their visas for over half a year, an abnormally long period," the newspaper wrote.

Read more: https://www.sbs.com.au/news/chinese-state-media-accuses-australia-of-delaying-student-visas

20. Dow Jones plunges 724 points on trade war fears after Trump unveils \$US60b tariffs on China

23/03/2018 David Chau ABC News

Wall Street has plunged over fears of a US-China trade war, after the Trump administration moved to impose <u>tariffs on up to \$US60 billion (\$77 billion) worth of Chinese imports.</u>



Mr Trump signed a presidential memorandum that will target the Chinese imports but only after a consultation period.

China will have space to respond, reducing the risk of immediate retaliation from Beijing.

Mr Trump said the move was intended to punish China for alleged intellectual property theft.

Read more: http://www.abc.net.au/news/2018-03-23/wall-street-dow-plunges-over-us-china-trade-war-fears/9578530