

# Chinese State Infiltration: The Inside Story



**YONGLIN CHEN**

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*Its goal:* Strategic cooperation during conflict.  
*Its method:* Diplomacy and territory grabs.  
*The result:* Vast losses to security and pre-established international alliances.

More than ten years ago, as a diplomat with China's Consulate-General, I personally exposed the Chinese Communist Party's intrusion on Australia's sovereignty and publicly relinquished my post. In light of current media coverage of the same unresolved issues, I feel it important to revisit them again here. My hope is that all Australians will then be better equipped to resist the Chinese Communist Party's insidious influence and to safeguard their people and all that they value before it's too late. I see four broad categories of concern at play here: military/strategy, political, economic and cultural. The Chinese Communist Party has used these areas to intentionally corrupt Australia's character and those things that make us proud: our sovereignty, our democracy, our fair go ethic and our freedom of speech. And all this, for their own ends. It must be stopped.

## **Military Infiltration: Stripping sovereignty**

China's thirteen-year-long campaign to win Australia's military compliance has succeeded. Its goal: strategic cooperation during conflict. Its method: diplomacy and territory grabs. The result: vast losses to security and pre-established international alliances.

Although China has strategic partnerships with numerous countries, many Western countries have not really engaged in practical strategic cooperation with it. However, China has made significant progress in this respect with regards to Australia.

Communist China's strategic short-term goal has been to persuade Australia not to act on the US-Australia Security Treaty if there were ever war in the Taiwan Strait, and to encourage Australia to be more independent in its military and foreign policies. The US-Australia Security Treaty has been largely

marginalised, and even former Prime Minister Paul Keating has suggested that Australia should be more independent in its foreign policy.

We have seen this 'independence' play out already. In recent years, China has been in a territorial dispute with the Philippines to compete for marine resources and to strengthen its military forces in the Spratly islands and the South China Sea. The Philippines then filed a lawsuit to the International Court of Justice in The Hague for arbitration. China's presence in Darwin during this conflict has posed a great threat to the US-Australia alliance and Australian national strategy.

A Chinese-government owned company gained the lease of Darwin Port for 99 years. Darwin Harbour and Cairns are the two most important military bases in the north of Australia, as Australia has a natural barrier in the south and only a few neighboring countries in the north. Darwin Harbour is the most important passageway for foreign invasion, so whether in terms of traditional military strategy or modern strategy, the two harbours are extremely important as military bases.

It is thus very surprising that, when the Australian government and the Defence Ministry were consulted about the lease, they agreed without hesitation. However, when the media announced the deal, there was quite a big uproar in the Australian public. That a military base in Darwin Harbour could be so easily handed over is a fact that has touched the nerves of many Australian elites. They recognise that Australia's most important national security interests have been sold off.

Ninety-nine years is more than a lifetime for humans. This means that a whole generation of Australian people will not see the return of Darwin Port in their lifetime, or even the next one or two generations. For the Australian people, Darwin Harbour is no different to a sold

asset. What makes Australians even more astonished is that the leasing company Landbridge Group has a Chinese military background.

In addition, Australia's natural and energy resources would play a key role in providing steady supplies to China to guarantee its economic development for the next twenty years. China has already realised this fundamental goal. We can see huge amounts of resources, such as minerals from West Australia and South Australia, as well as large stretches of grazing land, have been purchased by Chinese government-owned enterprises and wealthy Chinese families connected with Chinese Communist Party power groups.

## **Political Infiltration: Stripping democratic integrity**

China has bought off many Australian officials and politicians, and the effect of such bribery has affected the normal operation of the Australian government – leading to policy and strategic mistakes. Both major parties in Australia are now seriously affected by political donations from China.

Foreign Minister Julie Bishop was recently questioned in Parliament by Labor MPs as to why a company related to a Liberal Party political donor had set up a fund in her name titled 'Julie Bishop Glorious Foundation.'

The political donor in question is mining giant Sally Zou, who developed four mines in Australia and signed a 'potential \$100 billion' agreement with China National Gold Group Corporation on March 21, 2017. According to *The Australian*, Zou donated \$460,000 to the Liberal Party between 2015 and 2016.

Bishop admitted to meeting with Zou many times, but denied any knowledge of the Foundation. Labor backbencher Matt Keogh asked Bishop, "Does the Minister seriously expect the house to believe a Liberal

donor who she knows well set up a company in the Minister's name, the Julie Bishop Glorious Foundation, but never raised it with her on the many occasions that they met?"

On the other side of the political spectrum, former Secretary-General of the NSW Labor Party and Federal Senator Sam Dastyari has recently been revealed on ABC News as the key contact person for Chinese tycoon Huang Xiangmo.

Dastyari personally received money from Huang Xiangmo and so has the Labor Party. As a result, Dastyari spoke publicly in favor of China regarding territorial issues in the South China Sea, and what he said was in direct contradiction to the Labor Party's foreign policy and Australia's national interests. Foreign Minister Bishop accused the Labor Party in Parliament on June 13, 2017, saying, 'We now know that Senator Dastyari's about-face on the South China Sea had a price tag attached to it – indeed a reported \$400,000 was all it took for Senator Dastyari to trash Labor's official foreign policy position.'

Director-General of the Australian Security Intelligence Organisation (ASIO), Duncan Lewis, has tried to address this problem, but to no avail. He issued a secret briefing to senior officials of the three major political parties in Australia, with particular concern about two migrant billionaires from mainland China: Huang Xiangmo and Zhou Zerong (also known as Chau Chak Wing), who had donated approximately \$6.7 million to Australian political parties. However, his warnings were ignored, and the parties have continued to accept their donations: The Coalition has received \$897,960 and the Labor Party \$200,000.

## **Economic Infiltration: Stripping our goodwill**

Lured by power-for-money, the former Australian Trade Minister Andrew Robb signed the China-Australia Free Trade





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PHOTO: SUPPLIED

Agreement (FTA).

The China-Australia FTA is beneficial to Australia in trade, however Australia has made several great concessions on national security and sovereignty: One is to allow a Chinese company to lease Darwin Harbour for 99 years; the second is to allow China's equity capital to invest significant sums in Australia's strategic industry, fragile agriculture and animal husbandry industries; and the third is to push Parliament to approve a bilateral extradition treaty. However, China and Australia have vastly different judicial systems and Australia would have to make significant concessions in jurisdiction in relation to the rights and interests of Chinese citizens in Australia.

The FTA brings with it many drawbacks: It allows China's elite power groups to gain profits from investments in Australia while Chinese farmers and herdsmen suffer a devastating blow. As China's agriculture and animal husbandry industries had already crossed their bottom line when China joined the World Trade Organisation, any further concessions made in the China-Australia FTA were seen as an opportunity for other countries to make the same requests of them and denied. Thus, elite power groups can make profits at the expense of the people, intensifying inequality and instability in China's rural areas.

At the same time, China's external military expansion and its intention to control Chinese citizens overseas is evident. Fu Ying, former Chinese ambassador to Australia, wrote a report to the Chinese Communist Party Central Committee and made a number of proposals about the FTA negotiations in early 2005. She estimated China's economic loss yet emphasised that political and strategic returns were so great for China as to make it worthwhile. With this understanding, the China-Australia FTA negotiations were

initiated. They dragged on for ten years, and in the end, they put politics above economic gains and finalised the deal after Australia promised to make concessions in its jurisdiction.

The issue of the bilateral extradition treaty is another aspect of China's interference with Australian policies. When China's Premier Li Keqiang visited Australia, the Australian side promised to push the Parliament to ratify the bilateral extradition treaty, but many MPs, legal experts and academics believed that Australia should not sign this extradition agreement with China, because fairness and equality cannot possibly be guaranteed by combining the two judicial systems, and because it could be used by China to achieve its own ends. Australia is happy with the current arrangements in the bilateral judicial field so there is no need to sign any bilateral extradition treaty. Due to this strong opposition, Australian Prime Minister Turnbull eventually withdrew the proposal from Parliament.

#### **Cultural Infiltration: Stripping freedom of speech**

The Chinese Communist Party controls freedom of speech in Australia through its Chinese language media, international students, and specially-created public education programs for Australian kids.

The Chinese media in Australia is equivalent to Hong Kong's largest Chinese language newspaper, *Sing Tao Daily*, which fully cooperates with the *People's Daily*, the official newspaper of the Chinese Communist Party.

Funded by ads from companies (usually extremely wealthy and Chinese), most Chinese media in Australia have become parasitic to the autocratic system of the Chinese Communist Party, even refusing to publish controversial topics for the Chinese Communist Party such as the June 4th massacre at Tiananmen Square or pro-democracy arguments,

for fear of bankruptcy.

Secretary-General of the Australian Defence Department, Dennis Richardson, warned before he retired that China was 'very active' in espionage, that its monitoring and coercion activities in Australia were equally disturbing, and that it did control certain Chinese media in Australia.

The Chinese Communist Party also control Australia's Chinese international students. In 2004 the Chinese consulate began to systematically register Chinese students and now own all students' contact details. In essence, all Chinese overseas students are placed under the 'protection' of the Chinese Consulate. Yet in fact, they need very little protection from the consulate because Australia has a very sound legal system in place.

When I worked at the Chinese Consulate, the Chinese Ministry of Public Security sent a notice to ask us to monitor local Chinese students so that they would not take to the streets. We felt very surprised, thinking: Australia is a country that allows free parades and assemblies, and yet the Ministry of Public Security in China told us to prevent such activities. My colleagues and I all felt it was a joke when we talked about the notice, and yet this way of thinking is typical in the autocratic atmosphere and environment in China.

In fact, every Chinese student association was set up by the Chinese Consulate, and they also hold their meetings in the Chinese Consulate. The Chinese students are very easy to control because they were all brainwashed in their formative years. They believe that loving the Chinese Communist Party is equal to loving China, and a lot of them are very happy to serve the interests of the Party.

The Chinese Communist Party also controls students through Chinese Government bureaucracy. For example, after students have graduated in Australia and want to go

back home, their graduation certificates must be authenticated and stamped by the Chinese Consulate; otherwise their certificates will not be recognised by Chinese employers.

The third method of cultural infiltration is in the classroom. China has established a number of Confucius Institutes in Australia and in recent years it has also set up numerous Confucius Classrooms in schools. It only needs to spend \$10,000 to get one going because most resources are provided by the schools themselves, including classrooms, teachers and relevant materials. It is extremely cheap for China to set up Confucius Classrooms in Australia. If we allow this to continue to happen, every school will have a Confucius Classroom, and this will be a very sad day for the Australian people, especially Chinese people in Australia. We do not need the Chinese Communist Party's agenda to be fed to our children. I came to Australia with a very important consideration in mind: I do not want my children to be brainwashed like I was. I do not want them to have to go through the long struggle to break away from the control of the Chinese Communist Party like I did. Not many people have the opportunity I have had: to leave.

My hope is that Australia will hold on to the things that make it great, and will truly value its sovereignty, democracy, fair-go ethic and the right to freedom of speech.

*Yonglin Chen is a former Chinese diplomat who defected in 2005 from his posting as the consul for political affairs in the Chinese Consulate in Sydney. Factors contributing to the defection, according to Mr. Chen, are the torture and death of his father during the Cultural Revolution, his witness of the Tiananmen Square Massacre and the persecution of Falun Gong by Chinese Authorities.*

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