

# **The Congressional-Executive Commission on China**

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My background is not in China studies but in politics and public policy. I decided to write *Silent Invasion: China's Influence in Australia* in 2016 when it became obvious from newspaper reports that interference by the Chinese Communist Party in Australian politics is a serious issue that demands greater public awareness. Conversations with China experts soon established that the threat is more serious and deep-rooted than I had realised. Nevertheless, the scale and nature of the threat is one lay people need to understand. Since publication of *Silent Invasion* on 26<sup>th</sup> February this year it has become clear to me that many Australians have had an intimation that something is wrong and want it explained to them.

When I formulated the idea of the book, Allen & Unwin, a highly respected independent publisher that had published eight previous books by me, could immediately see its importance and commercial appeal and we soon signed a contract. However, last November, as the finished manuscript was about to go to typesetting, Allen & Unwin notified me that it would not proceed with publication. The CEO wrote saying that, based on advice it had received, the company was reacting to 'potential threats to the book and the company from possible action by Beijing'. He went on to write:

'The most serious of these threats was the very high chance of a vexatious defamation action against Allen & Unwin, and possibly against you personally as well.'

The company's defamation lawyer had pointed out that it would not be possible to make textual changes to the book that would protect the company from vexatious legal actions by Beijing's proxies in Australia, legal actions that would tie up the company in expensive legal action for months or longer. Compared to those of the United States, Australia's defamation laws favour the litigant.<sup>1</sup>

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<sup>1</sup> Australian journalists hold important information about the activities and Communist Party links of agents of influence in Australia that cannot be published without significant legal risk.

Allen & Unwin believed that in addition to punitive legal actions Beijing may retaliate by shutting down the company's website with denial-of service cyberattacks and by blocking access to printeries in China, where many books are printed.

Why was Allen & Unwin so nervous? The company had been spooked by recent (and still current) defamation actions taken against major news organisations by 'whales', a reference I believe to legal action taken by Chau Chak Wing, a Chinese-Australian billionaire resident in Guangdong, and Huang Xiangmo, a wealthy Chinese citizen residing in Sydney. (Both are discussed in *Silent Invasion*.) Australia's domestic intelligence agency, the Australian Security Intelligence Organisation (ASIO), has warned the major political parties that they should not accept donations from these men because of their suspected links to the Chinese Communist Party.<sup>2</sup>

Chau Chak Wing claims that he was defamed in a 2016 story published in the *Sydney Morning Herald* and again in 2017 in a *Four Corners* television documentary program produced by the ABC and Fairfax (publisher of the *Sydney Morning Herald*). In their defence against Chau Chak Wing's statement of claim, the ABC and Fairfax Media told the court there are reasonable grounds to believe that Chau Chak Wing 'betrayed his country, Australia, in order to serve the interests of a foreign power, China, and the Chinese Communist Party by engaging in espionage on their behalf.'<sup>3</sup>

Huang Xiangmo was for several years the president of the Australian Council for the Promotion of Peaceful Reunification of China, the peak United Front body in Australia, and in 2017 was at the centre of the political scandal that led to the resignation of Senator Sam Dastyari. The Prime Minister has described Mr Huang as 'an agent of a foreign country'.<sup>4</sup> He took legal action against the *Herald-Sun* newspaper (a News Corp outlet).

It is difficult to know whether the defamation actions launched by these billionaires had political motives, but there is little doubt that they have had a chilling effect on reporting by news outlets in Australia, and now on the book publishing industry. It's worth noting that in December 2017 an editorial in the *People's Daily* in effect endorsed the use of lawfare

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<sup>2</sup> Nick McKenzie, Chris Uhlmann, Richard Baker, Daniel Flitton, 'ASIO warns parties that taking China cash could compromise Australia', *Sydney Morning Herald*, 5 June 2017

<sup>3</sup> Clive Hamilton, *Silent Invasion*, p. 78

<sup>4</sup> Peter Hartcher, 'Icebreakers': How Beijing seeks to influence the West', *Sydney Morning Herald*, 5 December 2018

abroad, another instance of the Chinese Communist Party exploiting the institutions of democracy to undermine democracy.

Allen & Unwin's decision to drop *Silent Invasion* citing fear of reprisals from Beijing was a spectacular vindication of the argument of the book. No actual threats were made to the publisher, which in a way is more disturbing. The shadow cast by Beijing over Australia is now dark enough to frighten a respected publisher out of published a book critical of the Chinese Communist Party. (It's worth remembering that for all the opprobrium heaped upon it Allen & Unwin is a victim too.)

My dismay was compounded as I realised that the shadow and Allen & Unwin's fear of it had frightened off the rest of the publishing industry. Big publishers like Penguin, HarperCollins and Hachette did not come knocking on my door, even though the spiking of the book had attracted headlines around the world.

I worry about the message that has now been sent to China scholars: 'If you write a book critical of the CCP you will have trouble finding a publisher, so censor yourself or play safe and write about Ming dynasty architecture'. China scholars have told me that they censor themselves in order not to jeopardise their visas to do research in China, and so protect their careers.<sup>5</sup>

Two independent publishers did express strong interest in *Silent Invasion* but pulled out, citing the same fear of payback. One was Melbourne University Press, the nation's most prominent university publisher, a company of the University of Melbourne, by some measures Australia's top-ranked university. Its Board took the unusual step of over-ruling its chief executive on a publishing decision. Sources close to MUP have told me that a factor in the Board's decision was the anxiety of senior university executives about the potential impact of publication on the university's lucrative revenue flows from Chinese students.

Clearly, the situation is dire when a university press will not publish a scholarly book about the Chinese Communist Party for fear of punishment by the Party. Along with other instances of universities sacrificing intellectual freedom to ingratiate themselves with Beijing (detailed

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<sup>5</sup> Phila Sui, 'What's the 'dirty secret' of Western academics who self-censor work on China?', *South China Morning Post*, 21 April 2018

in the media and in my book), it is no exaggeration to say that Australian universities now tiptoe over eggshells to avoid any action that may offend Party bosses in China.

If not for the courage and commitment to free speech of Sandy Grant, the principal of Hardie Grant, *Silent Invasion* may well have gone unpublished, which would have been a comprehensive victory for the Chinese Communist Party.<sup>6</sup>

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Recently, we have seen major Western publishers (Cambridge University Press and Springer) compromise academic freedom by censoring their publications at the insistence of Beijing. (CUP reversed its decision after an outcry). They did so to maintain access to the Chinese market. In the *Silent Invasion* case the fear was not about what the CCP could do in China (cut off access to markets) but what the CCP could do in Australia (sponsor legal actions). As I detail in the book, the tentacles of the Party now reach into all of the important institutions in Australia.

The spiking of *Silent Invasion* represents perhaps the starkest attack on academic freedom in recent Australian history. It attracted intense media interest and strong support from the public. As I searched for a publisher, some members of parliament proposed publishing the manuscript in Hansard, both as a statement in defence of free speech and to give it legal protection under the laws of parliamentary privilege.

However, throughout the saga one sector maintained a studied silence – the universities. No representative organisation (notably, Universities Australia and the Group of Eight) or prominent Vice-Chancellor made any kind of statement supporting me, a professor apparently being targeted by a powerful foreign state because of his work. Yet three months later, in a submission to a parliamentary inquiry into the proposed new foreign interference laws, Universities Australia bleated about the threat posed by the new laws to academic freedom. These are laws designed explicitly to prevent foreign powers from suppressing free speech, yet the universities were concerned about how they might harm the wellbeing of their international students and jeopardise their research collaborations. These collaborations presumably include the plethora of research links that Australian universities have with

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<sup>6</sup> In 1987 Sandy Grant was the publisher at Heinemann who defied the British government to publish *Spycatcher*, an exposé of MI6, by Peter Wright. In the celebrated court case, won by the publisher, Heinemann's barrister was a young Malcolm Turnbull.

Chinese scientists doing military-related research in universities linked to the People's Liberation Army, a phenomenon uncovered by my researcher Alex Joske and detailed in newspaper articles by us and reprised in *Silent Invasion*.

Australian universities are now so closely tied into monetary flows and links with China that they have forgotten the founding principles of the Western university.

The University of Sydney, for example, last year enrolled 25,000 international students, the majority from China. Numbers had doubled over four years and last year generated A\$752 (US\$570 million) in revenue.<sup>7</sup> The University of Sydney's Vice-Chancellor, Dr Michael Spence, has claimed there is no evidence for Chinese government interference on his campus and labelled the mounting warnings by the government, based largely on ASIO reports, as 'Sinophobic blatherings'.<sup>8</sup> Chau Chak Wing last year donated \$15 million to the university, which will be used for a building named after Chau at the university's front gates.

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Publication of *Silent Invasion* has prompted an intense and at times rancorous debate within the community of China scholars in Australia. Some 50 'China scholars' (many of whom have no expertise in PRC politics) have signed an open letter in which they characterise expressions of concern about PRC influence as 'the creation of a racialised narrative of a vast official Chinese conspiracy'.<sup>9</sup> They reject the proposed foreign interference laws because they 'see no evidence ... that China is exporting its political system to Australia'. Although no-one has said that the CCP is exporting its Leninist party governing system to Australia, the evidence from a range of sources that the CCP is extending the operations of its influence and propaganda system to Australia is now overwhelming.<sup>10</sup>

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<sup>7</sup> Matt Wade, 'Degrees of risk: inside Sydney's extraordinary international student boom', *Sydney Morning Herald*, 2 March 2018. Compared to last year, enrolments from China at Australian universities have surged by 18 per cent in 2018, totalling 173,000 (Tim Dodd, 'Chinese defy warnings and flock to Australian universities', *The Australian*, 18 April 2018).

<sup>8</sup> Andrew Clark, 'Sydney Uni's Michael Spence lashes government over 'Sinophobic blatherings'', *Australian Financial Review*, 28 January 2018

<sup>9</sup> <https://www.policyforum.net/an-open-letter-from-concerned-scholars-of-china-and-the-chinese-diaspora/>  
The organiser of the letter was Dr David Brophy, a lecturer at the University of Sydney, who had just written a scathing review of *Silent Invasion*. He denounced it as a 'McCarthyist manifesto' and a 'paranoid tome' that adds to 'our all-too-rich library of Asian invasion fantasies'. Many of his arguments and expressions were reproduced in the letter.

<sup>10</sup> This claim is all the more extraordinary when made by David Brophy, whose work concentrates on the Uyghurs of Xinjiang, including their brutal suppression. His writings suggest that his anti-Americanism overwhelms his judgement.

There are none so blind as those who will not see. But *why* will they not see what Beijing is doing in Australia? One can only speculate. For the most part, I don't believe they have been captured or are agents of any kind. They express their genuine convictions. They see Communist Party rule through rose-tinted glasses because they believe that, for all its faults, 'the Party has lifted 600 million people out of poverty',<sup>11</sup> or that the first priority must be to shield people of Chinese heritage in Australia from xenophobia, or that Australia's institutions are too robust to be influenced in the ways suggested. For some, China is still seen through the lenses of a romantic Maoism; for others a visceral anti-Americanism makes them welcome a global challenger.

The *Global Times*, the CCP's nationalistic tabloid, warmly welcomed the intervention of these China scholars as proof that the debate over CCP influence in Australia is only 'fanning the flames' of racial animosity.<sup>12</sup>

Those who signed the open letter divided themselves sharply from many other China scholars, some of whom composed a rival letter rejecting their substantive claims. Those in second group 'strongly believe that an open debate on the activities of the Chinese Communist Party (CCP) in this country is essential to intellectual freedom, democratic rights and national security'.<sup>13</sup> They reject claims the debate is characterised by racism and note that it is led by a number of Chinese-Australian scholars. The letter then describes the kinds of subversive activities practiced in Australia by the CCP.

Predictably, the *Global Times* wrote that those who signed the second letter are only stirring up trouble by supporting the government's foreign interference legislation.

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In March, the Australian Values Alliance, a group of Chinese-Australians opposed to Communist Party interference in Australia, organised a launch event for *Silent Invasion* at

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<sup>11</sup> This claim, propagated by the CCP, is often repeated by elites, notably former prime minister Paul Keating, perhaps the foremost Australian apologist for CCP rule. Yet, as I write in *Silent Invasion*, the Communist Party did not lift 600 million people out of poverty; it kept 600 million people in poverty. It was only when the CCP lifted its foot off the neck of the Chinese people and permitted basic economic rights—the rights to own property, to set up a business, to move one's residence, to work for whoever one liked—that the Chinese people could lift themselves out of poverty.

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[https://m.huanqiu.com/r/MV8wXzExNzA5NjE0XzEzOF8xNTIyMjY3MjAw?pc\\_url=http%3A%2F%2Fworld.huanqiu.com%2Fexclusive%2F2018-03%2F11709614.html](https://m.huanqiu.com/r/MV8wXzExNzA5NjE0XzEzOF8xNTIyMjY3MjAw?pc_url=http%3A%2F%2Fworld.huanqiu.com%2Fexclusive%2F2018-03%2F11709614.html)

<sup>13</sup> <https://www.policyforum.net/chinas-influence-australia-maintaining-debate/>

NSW Parliament House in Sydney. (It's not clear how those accusing me of stoking anti-China sentiment explain away the enthusiastic support for the book from some segments of the Chinese-Australian community.) The organisers' WeChat messages were censored from Beijing. A week after the launch one of the group's leaders, John Hu, was deported from China when he arrived at Shanghai airport with his 80-year old mother to scatter the ashes of his father.<sup>14</sup> He was told he was getting off lightly; it would be much worse for him if he were allowed in and then taken into custody. The message to Chinese-Australians was unambiguous.

A Ministry of Foreign Affairs spokeswoman was asked by a *Global Times* journalist whether *Silent Invasion* was guilty of 'inventing stories for malicious sensationalism, condemning the author for poisoning Australia-China relations for achieving fame'.<sup>15</sup> She duly trashed the book as 'slander and 'good for nothing'. The Embassy in Canberra issued a similar spray, calling the book 'racist bigotry' and a 'malicious anti-China mentality'.<sup>16</sup>

The condemnations of me and my book are but a small part of a much larger strategy to emerge in recent times. Beijing is ramping up its rhetoric against Australia in a calibrated campaign of psychological warfare. Beijing knows that it cannot bully the United States – in the current environment the consequences would be unpredictable and probably counter-productive – so it is instead pressuring its allies. Last week the PLA Navy challenged three Australian warships sailing through the South China Sea, simply for being there. It has scaled up its threats of economic harm unless Australia changes its 'anti-China' path. This psychological warfare is only Stage 1, with real punishment to follow if needed.

Yet there is no shortage of Beijing sympathisers and appeasers among Australia's elites calling on Australian politicians, scholars and commentators to 'tone down the rhetoric',<sup>17</sup> as if the current strain in the relationship were *our* fault rather than Beijing's campaign of

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<sup>14</sup> <http://www.abc.net.au/news/2018-03-21/australian-outspoken-about-communist-party-denied-entry-to-china/9573830>

<sup>15</sup> Bill Birtles, 'China cites Australian critics to trash Clive Hamilton's controversial new book', *ABC News online*, 2 March 2018

<sup>16</sup> Phila Sui, 'What's the 'dirty secret' of Western academics who self-censor work on China?', *South China Morning Post*, 21 April 2018

<sup>17</sup> Perhaps the leading exponent is mining billionaire Andrew Forrest, who seems to be on a one-man mission to 'broker peace' using his top-level contacts in the Chinese Communist Party (see Michael Smith, 'China ramps up anti-Australia talk as tensions surface', *Australian Financial Review*, 21-22 April 2018). It's not clear which element of Australian society he has appointed himself to acting for. In 2013 John Garnaut pointed out that Forrest had been targeted as a potential agent of influence by a PLA Liaison Department operation. An innocent abroad, Forrest's key contact in Beijing turned out to be a lieutenant general in the PLA ('Chinese military woos big business', *Sydney Morning Herald*, 23 May 2013).

subversion, cyber intrusions and harassment on the high seas. Former Prime Minister Kevin Rudd has recently echoed this view. This self-criticism (reminiscent of the self-abasement sessions of the Cultural Revolution) looks like the 21<sup>st</sup> century's version of kow-towing. When China's Foreign Ministry calls for a return to 'mutual trust' it means a return to compliance.

My New Zealand counterpart Professor Anne-Marie Brady has faced a harder time, as she is virtually alone in exposing CCP influence operations in that nation. In recent months both her office at the University of Canterbury and her home have been burgled, with the thieves ignoring valuables in favour of laptops and a passport.<sup>18</sup> The government has asked its intelligence service to investigate.

Exposés of United Front work, including Brady's and my own, highlight something essential to understand about the CCP's foreign influence and interference strategies. Their secretiveness and subtlety lend them a high level of deniability. Beijing's strident and at times hysterical public commentary can obscure this fact. Shining a light on its tactics and activities makes it uncomfortable and liable to react with fury.

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As a coda to this statement, it might be worth adding that after the Allen & Unwin story broke in November and reinforced by news of the Anne-Marie Brady burglaries in February, I have had to take extensive measures to step up my personal security. The measures have been based on advice from top-level law enforcement and surveillance experts. The following are among the concerns and measures taken.

- A suspicious stranger arrived outside my office building and sat for some hours using what a surveillance expert later suggested may have been a 'sniffer' phone, a device capable of picking up Wi-Fi and mobile transmissions. She also entered the building before suspicions were aroused.
- This incident and one or two others led to the installation of CCTV cameras and a permanent 'lock-down' of the office building.

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<sup>18</sup> Philip Matthews, 'PM to follow up break-in at house of academic studying China's power', *Stuff Politics*, 20 February 2018. Australia's foremost expert on United Front activity, Gerry Groot, has suggested that the burglaries may have been the work of triads acting on Beijing's instructions (Martin McKenzie-Murray, 'Inside China's 'united front'', *The Saturday Paper*, 3 March 2018). The Communist Party's use of criminal gangs is well-known in Hong Kong and Taiwan.



- Malware was found in ‘every nook and cranny’ of my computers, requiring a scrubbing of hard-drives, reinstallation of operating systems and adoption of advanced cyber protections.
- People believed to be Chinese students were confronted after they were caught checking the contents of my unmarked pigeon-hole in a secure area of the National Library of Australia.
- I have been provided with counter-surveillance advice by experts, and security guards have been provided at my public appearances.

I do not seek sympathy. But I am a citizen of a democratic nation that prizes free speech. It offends me that as a result of exercising my right to free speech by writing a book it has been necessary to take these steps to protect myself from an authoritarian foreign power.