



SAFEGUARDING AUSTRALIA'S EDUCATION SYSTEM FROM FOREIGN INFLUENCE

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China's increasingly sophisticated use of sharp power tactics and influence-and-control operations abroad poses an acute threat to Australia's identity, sovereignty and national security. This is demonstrated by the increasing number of demonstrations at universities and the expanding prevalence of Confucius Institutes (CI) within Australia's education sector. Federal and state governments must proactively identify and curtail China's growing influence within the education sector, whilst developing an indigenous or alternative Mandarin language capability. In addressing this issue, Australian politicians and academics must realise that the threat posed by the Chinese Communist Party (CCP) to academic integrity overrides arguments prioritising institutional independence; and seek collaboration with universities and independent organisations in the creation of an indigenous or alternative Chinese language program to replace CIs.

STRATEGIC THREAT OF CHINESE CONFUCIUS INSTITUTES

The escalating degree of influence and control [asserted and exercised](#) by the Chinese Communist Party (CCP) throughout Australia's education system and academic community presents a significant risk to academic integrity, political freedom of expression, sovereignty and national security.

Following the revelations of the ABC Four Corners [investigative report](#) in June 2017, the scope of China's influence-and-control operations across Australian society has been laid bare. Australian politicians, academics and ethnic Chinese have been actively targeted by the CCP through a mixture of incentives and coercive measures.

The CCP has intertwined itself within foreign interest groups and educational organisations, through Chinese Government sponsored language organisations known as Confucius Institutes (CI) and Confucius Classrooms (CC). This strategy is a key part of China's influence and control operations within foreign countries. CIs and CCs operate directly under the "[Hanban](#)" in China – known as the Office of Chinese Language Council International – which is in turn administered by the CCP's Ministry of Education. Since its establishment in 2004, China has

established over 516 CIs and 1,076 CCs across [142 countries](#).

China has exploited CIs – both in the US and Australia – as a means of spreading propaganda and disinformation, which paints the CCP and its policies in a favourable light, while simultaneously advancing an alternative narrative on historical and political issues, and limiting freedom of expression amongst its students. CIs have come to represent a [forward operating base](#) for the CCP to exert influence abroad. [Presently](#), 14 CIs and 67 CCs operate across 13 universities, the NSW Department of Education, and various primary and secondary schools.

Putting off unattractive measures that address China's influence-and-control – in exchange for economic gain in the immediate term – will only jeopardise Australia's interests and stature more intensely in the future.

INDIVIDUAL INTERESTS OVER NATIONAL SECURITY

Australian higher educational institutions have [repeatedly demonstrated](#) that they prioritise their individual interests over national security, and are acutely vulnerable to foreign influence. Indeed, the up-front [financial benefits](#) for universities collaborating with the Hanban in establishing a CI are evident – including start-up

funding and US\$100,000 annually for teaching material and staff. Likewise, schools which host a CC receive AUD\$10,000 in upfront funding and AUD\$10,000 each year for educational materials.

One specific case was highlighted through a [AUD\\$100 million innovation partnership](#) between the University of New South Wales and the Chinese Government in September of 2017 – raising concerns from academics and political analysts over the risks of technology acquisition and access to research with the potential for [military use](#). The economic leverage exercised by China in higher education remains significant. This is illustrated through the AUD\$230,000 in annual direct funding provided by the CCP to the University of Adelaide through its resident CI and the Hanban, while the University of Sydney alone had Chinese students providing [AUD\\$354 million](#), or 16 per cent of the university's AUD\$2.2 billion operating revenue in 2016. A renewal of contracts between the Hanban and several prominent [Australian universities](#) in July 2019 (Queensland, Griffith, La Trobe, Charles Darwin, and [Melbourne University](#)), revealed how State Governments have also proven themselves as naive and prone to foreign influence. On 8 May 2018, the Government of New South Wales (NSW) announced a [review](#) of its relationship with the Hanban, and the CC initiative to teach

Mandarin in 13 public secondary schools throughout NSW since 2012. The program represents the only instance of a foreign government program being embedded within a government education department in Australia.

[Subsequent investigations](#) revealed that the NSW Department of Education committed to respecting Chinese 'cultural customs' and to abide by 'Chinese laws and regulations' within contracts establishing the CC program in 2011, under the then-Labor government. In return the Government received up to AUD\$40,000 per school from the Hanban for establishing the program, annual contributions of AUD\$10,000 per school, and the services of 'native language assistants' from China.

On 11 June 2018, the then-NSW Education Minister Rob Stokes confirmed that the review was considering the legitimacy of the agreement under the recently passed foreign interference laws. This review was to ensure "no inappropriate influences from foreign powers", and that the NSW Government was [still considering](#) programs and partnerships with external organisations to address their needs.

The review, completed at the end of 2018, was only released to the public on [22 August 2019](#). This coincided with the Department's [decision](#) to

remove CCs at 13 NSW schools due to the perceived perception of foreign influence, and replace them with a \$1.2 million initiative to teach Chinese at the affected schools. However, no comment was made as to the continued existence of the CI at the Department, with the report-alone outlining that the CI would remain in place as negotiations occur.

FOREIGN INFLUENCE

The passage of the [Foreign Influence Transparency Scheme Bill 2018](#) through the Australian Parliament on 29 June 2018, marked a significant moment for Australia's national security. However, the [Scheme](#) does not explicitly prohibit or restrict foreign influence activities, but only criminalises instances where such activities remain undeclared, or are conducted by entities associated with a foreign government, who have not registered as a foreign agent. This belies the fact that CIs have [yet to be listed](#) on the Scheme's register.

Additionally, criminalising the covert nature of such activities does not prevent the legitimate use of influence-and control-tactics within the bounds of the law. Indeed, despite the existence of the [Foreign Agents Registration Act](#) in the US, the US Government has encountered [similar concerns](#) over the scope of China's influence and

control within their educational institutions through CIs and CCs. Further, where instances of prior influence-and-control activities by China may have been reckless and publicly discoverable, the revised foreign influence laws will see the Chinese Government multiply their efforts to ensure that such failures are not repeated.

IDEOLOGICAL WARFARE

China's use of CIs and CCs may be interpreted as a variation of a soft power initiative, one where a nation's hard power objectives are furthered through diplomatic, political and cultural manipulation. This follows the strategy of authoritarian political warfare known as comprehensive coercion, wherein the open nature of Western societies provide pathways for China to shape and influence Australian society.

Authoritarian governments implementing [influence-and-control measures](#) within foreign states are known to discourage foreign narratives that are harmful to their interests, in order to generate support for policies they favour, enhance their freedom of action by keeping opposing forces distracted, and mitigate opposition against overt acts of revisionism.

Similarly, CIs and CCs represent a key pillar of China's foreign policy, as tools of ["sharp power"](#) within the CCP's ongoing efforts to penetrate the political and information environments in foreign countries, and advocate China's views while silencing criticism. Such institutions [curate](#) the information they offer about the history, culture and politics of China to [suit the CCP's narrative](#), and to spread a favourable vision of China's model of development, based upon authoritarian governance.

The Federal Government must consider the increasingly transnational nature of academia and foreign states' abilities to leverage this sector, as a [soft power tool](#) to project cultural and political influence. The Government must recognise how academia can be exploited in targeting Australia's national security and devise appropriate countermeasures.

POLICY RECOMMENDATIONS

While the July 2019 announcement of a [probe](#) into CIs by the Attorney-General's Department, and the discussion of [government guidelines](#) for universities concerning research collaboration, represents a definitive step in the right direction, these initiatives must be interpreted as baseline security measures.

Safeguarding the sanctity of freedom of speech within academia, the ideological identity of Australian society, and the integrity of Australia's national security requires the adoption of additional [proactive measures](#) by state and federal governments. To be truly successful, such measures must be distinguished from measures already in place within the [US](#), which have proven inept at curbing China's influence.

Alternative Chinese Language Programs

First, both the state and federal governments should be encouraged to support and fund alternative Chinese language programs in collaboration with Australia's other Chinese-speaking partners throughout Asia – such as Singapore or Taiwan. This would allow the government to deliver the same quality of Chinese-language education at a subsidised cost, with a significantly reduced degree of concern over foreign influence.

With 14 CIs operating throughout Australia, the estimated cost of educational activities conducted by CIs amounts to [AUD\\$1 million](#) in cost savings per university over five years. The projected cost to the Australian Government to replace CIs and independently fund a comparative Chinese language program would amount to a modest AUD\$14 million over five

years and fall within the reach of the Government's financial capabilities.

Reduction in Government Funding for CIs

Second, where the scope of the Foreign Influence Transparency Scheme is insufficient to deter universities from seeking language programs funded by foreign agents, universities must be compelled by the Government to decide between CIs or government funding. Universities that host CIs should either be subjected to penalties or have their government funding reduced. This must be paired with a commitment to increasing university funding, to address the growing financial needs of universities and preclude the temptation of resorting to foreign financial support.

Enhanced Transparency

Third, China and other foreign countries must be required to be transparent about their motives. Such a system could be achieved by instituting an opt-out foreign agent's registration system for such institutions, whereby educational organisations associated with certain countries are automatically registered, and must provide clear and compelling reasons to be removed from the register.

Enforcement of Anti-Discrimination Legislation

Fourth, [anti-discrimination laws](#) should be immediately and rigorously enforced against CIs. CIs typically include staff from a pool of candidates [vetted by the CCP](#), which [discriminates](#) based on political and religious views. The Attorney-General's Department may examine whether China's hiring practices within Australian CIs adhere with the *Australian Human Rights Commission Act 1986* (Cth) and pursue legal action where appropriate.

Royal Commission

Finally, a [Royal Commission](#) should be held into the activities of CIs and their connections to the CCP. Royal Commissions are independent public inquiries that instigate ongoing impropriety, illegal activity or gross administrative incompetence. The broad coercive powers of a Royal Commission could override administrative protections currently afforded to CIs and provide the Australian public with greater transparency regarding Chinese Government practices and motives.

Conclusion

Restricting or removing CIs from Australia is unlikely to curtail China's broader efforts to assert influence and control. Additional risks may arise if China decided to retaliate economically.

Two-way trade between Australian and China amounts to around AUD\$195 billion annually, including [AUD\\$110.4 billion](#) of exports in goods and services to China over 2016/17, and [AUD\\$9 billion](#) contributed by Chinese students to the education sector. The scale of such trade represents a significant pressure point for the Australian Government.

Nonetheless, the removal of Hanban institutions (CIs and CCs) and the curtailing of China's influence in the education sector presents an opportunity for Australia to develop its own indigenous Mandarin language institutions, to pursue a fruitful partnership with China, based on clearly-defined boundaries and mutual respect, and to deepen its ties with its other Mandarin-speaking partners throughout the Indo-Pacific.