

# Sharp power

China is manipulating debate in Western democracies. What can they do about it?



WHEN a rising power challenges an incumbent one, war often follows. That prospect, known as the Thucydides trap after the Greek historian who first described it, looms over relations between China and the West, particularly America. So, increasingly, does a more insidious confrontation. Even if China does not seek to conquer foreign lands, many people fear that it seeks to conquer foreign minds.

Australia was the first to raise a red flag about China's tactics. On December 5th allegations that China has been interfering in Australian politics, universities and publishing led the government to propose new laws to tackle "unprecedented and increasingly sophisticated" foreign efforts to influence lawmakers (see page 20). This week an Australian senator resigned over accusations that, as an opposition spokesman, he took money from China and argued its corner. Britain, Canada and New Zealand are also beginning to raise the alarm. On December 10th Germany accused China of trying to groom politicians and bureaucrats. And on December 13th Congress held hearings on China's growing influence.

This behaviour has a name—"sharp power", coined by the National Endowment for Democracy, a Washington-based think-tank. "Soft power" harnesses the allure of culture and values to add to a country's strength; sharp power helps authoritarian regimes coerce and manipulate opinion abroad.

The West needs to respond to China's behaviour, but it cannot simply throw up the barricades. Unlike the old Soviet Union, China is part of the world economy. Instead, in an era when statesmanship is in short supply, the West needs to find a statesmanlike middle ground. That starts with an understanding of sharp power and how it works.

## Influencing the influencers

Like many countries, China has long tried to use visas, grants, investments and culture to pursue its interests. But its actions have recently grown more intimidating and encompassing. Its sharp power has a series of interlocking components: subversion, bullying and pressure, which combine to promote self-censorship. For China, the ultimate prize is pre-emptive kowtowing by those whom it has not approached, but who nonetheless fear losing funding, access or influence.

China has a history of spying on its diaspora, but the subversion has spread. In Australia and New Zealand Chinese money is alleged to have bought influence in politics, with party donations or payments to individual politicians. This week's complaint from German intelligence said that China was using the LinkedIn business network to ensnare politicians and government officials, by having people posing as recruiters and think-tankers and offering free trips.

Bullying has also taken on a new menace. Sometimes the message is blatant, as when China punished Norway economically for awarding a Nobel peace prize to a Chinese democracy activist. More often, as when critics of China are

not included in speaker line-ups at conferences, or academics avoid study of topics that China deems sensitive, individual cases seem small and the role of officials is hard to prove. But the effect can be grave. Western professors have been pressed to recant. Foreign researchers may lose access to Chinese archives. Policymakers may find that China experts in their own countries are too ill-informed to help them.

Because China is so integrated into economic, political and cultural life, the West is vulnerable to such pressure. Western governments may value trade over scoring diplomatic points, as when Greece vetoed a European Union statement criticising China's record on human rights, shortly after a Chinese firm had invested in the port of Piraeus. The economy is so big that businesses often dance to China's tune without being told to. An Australian publisher suddenly pulled a book, citing fears of "Beijing's agents of influence".

## What to do?

Facing complaints from Australia and Germany, China has called its critics irresponsible and paranoid—and there is indeed a danger of anti-Chinese hysteria. However, if China were being more truthful, it would point out that its desire for influence is what happens when countries become powerful.

China has a lot more at stake outside its borders today than it did. Some 10m Chinese have moved abroad since 1978. It worries that they will pick up democratic habits from foreigners and infect China itself. Separately, Chinese companies are investing in rich countries, including in resources, strategic infrastructure and farmland. China's navy can project power far from home. Its government frets that its poor image abroad will do it harm. And as the rising superpower, China has an appetite to shape the rules of global engagement—rules created largely by America and western Europe and routinely invoked by them to justify their own actions.

To ensure China's rise is peaceful, the West needs to make room for China's ambition. But that does not mean anything goes. Open societies ignore China's sharp power at their peril.

Part of their defence should be practical. Counter-intelligence, the law and an independent media are the best protection against subversion. All three need Chinese speakers who grasp the connection between politics and commerce in China. The Chinese Communist Party suppresses free expression, open debate and independent thought to cement its control. Merely shedding light on its sharp tactics—and shaming kowtowers—would go a long way towards blunting them.

Part should be principled. Unleashing a witch-hunt against Chinese people would be wrong; it would also make Western claims to stand for the rule of law sound hollow. Calls from American politicians for tit-for-tat "reciprocity", over visas for academics and NGO workers, say, would be equally self-defeating. Yet ignoring manipulation in the hope that China will be more friendly in the future would only invite the next jab. Instead the West needs to stand by its own principles, with countries acting together if possible, and separately if they must. The first step in avoiding the Thucydides trap is for the West to use its own values to blunt China's sharp power. ■





## At the sharp end

**The Chinese government is using stealth to shape public opinion and mute criticism in other countries**

**O**VER the past year Australia has been gripped by a tale of suspicion, subversion and spooks. In the latest chapter Sam Dastyari, a Labor Party politician of Iranian extraction, resigned from parliament on December 12th. A recording had emerged of him urging Australia to “respect” China’s territorial claims in the South China Sea, contradicting the policy of both the government and his own party, and confirming earlier allegations against him. He also tried to stop his party’s foreign-affairs spokesperson meeting a pro-democracy activist in Hong Kong. A year earlier he had been forced to leave his opposition post, after revelations that he had taken money from Huang Xiangmo, a Chinese businessman with apparent links to the Chinese Communist Party, at the same time as he supported China’s territorial claims.

Widespread evidence of Chinese meddling in politics and universities prompted an Australian spy chief to warn that his country was facing “an unprecedented scale” of foreign interference. The country’s prime minister, Malcolm Turnbull, is

clearly worried. Further revelations showed that two Chinese companies, one run by Mr Huang, had (legally) donated A\$6.7m (\$5m) over a decade to Australia’s two main political parties. On December 5th the government announced legislation banning political donations from non-citizens and requiring political lobbyists to reveal if they are working for foreigners.

Australia is not alone. In September the *Financial Times* reported that a New Zealand MP had taught at a Chinese spy college for years but had left that information off his CV when he later applied for citizenship. That prompted growing calls for more scrutiny of China’s influence over the Chinese diaspora in New Zealand. Canada’s intelligence services have long been worried about infiltration: in 2010 they warned that several provincial cabinet ministers and government employees were “agents of influence”.

China seems to have been busy in Europe, too. Germany’s spy agency this week accused it of using social media to contact 10,000 German citizens, including law-

makers and civil servants, in the hope of “gleaning information and recruiting sources”. There have been reports of Chinese agents trying to groom up-and-coming politicians from Britain, especially those with business links to the country. And on December 13th America started to learn of possible intervention, when the Congressional Executive Commission on China began hearings to look into Chinese attempts to win political sway.

### Piercing, not soft

China’s approach could be called “sharp power”. It stops well short of the hard power, wielded through military force or economic muscle; but it is distinct from the soft attraction of culture and values, and more malign. Sharp power is a term coined by the National Endowment for Democracy (NED), a think-tank in Washington, DC, funded mainly by Congress. It works by manipulation and pressure. Anne-Marie Brady of the University of Canterbury in New Zealand refers to China’s intrusions as a “new global battle” to “guide, buy or coerce political influence”.

The result is different from the cold war—less dangerous, but harder to deal with. Whereas the Soviet Union and the West were sworn enemies, China is a keenly courted trading partner that is investing huge sums beyond its borders (see chart 1 on next page). This naturally gives it influence, which it is using to shape debate »



abroad in areas where it wants to muzzle criticism, such as its political system, human-rights abuses and expansive territorial claims. It especially wants to stifle discussion of the Dalai Lama, Falun Gong, an outlawed spiritual movement, and the Tiananmen Square protests of 1989.

China is hardly alone in trying to shape how the world sees it. And its sharp power, though growing rapidly, is not its first attempt at the game. Over the years China has often tried to silence criticism of its politics by denying visas to critical journalists and academics and by giving a cold-shoulder to unsympathetic governments and firms. It has also attempted to monitor and control ethnic Chinese living outside the country, using Chinese-language media and China-backed community groups.

China has long used soft power, too. Roughly 500 government-funded and government-staffed Confucius Institutes operate in universities and 1,000 "Confucius classrooms" in schools around the world, mostly in rich countries. The institutes do a good job of teaching Chinese to foreigners but they would be unlikely to convince students in the West that China's authoritarianism is admirable, even if they tried.

Sharp power wraps all that up in something altogether more sinister. It seeks to penetrate and subvert politics, media and academia, surreptitiously promoting a positive image of the country, and misrepresenting and distorting information to suppress dissent and debate. China's sharp power has three striking characteristics—it is pervasive, it breeds self-censorship and it is hard to nail down proof that it is the work of the Chinese state.

### Sharp elbows

Start with its pervasiveness. Most governments and intelligence agencies ignored China's manipulations because they believed that state surveillance and intervention were mainly directed at the country's diaspora. They were mistaken. The target now seems to include the wider society.

Confucius Institutes have turned sharper. Many cash-strapped universities have replaced their own language courses with curriculums led by the institutes. In some places the institutes have set up entirely new China-studies programmes. Though most do not actively push the party line, they often restrain debate about China by steering discussion away from sensitive subjects.

Occasionally China's motives are more obvious. State-backed organisations such as the Chinese Students and Scholars Association (CSSA), often funded by Chinese embassies, have become more assertive. The CSSA offers assistance to the growing number of Chinese students on foreign campuses (see chart 2). It helps them settle in by, for example, organising social events. It also keeps an eye on students and some-



times reports to the authorities back home on people who take part in activities seen as hostile to the party (an Australian academic says that for this reason, many Chinese students ask to be put in tutorial groups without other Chinese).

Disquiet at China's presumed interference is spreading around Western democracies. It is now growing in America, where Chinese influence to date has been mostly under the radar. Nevertheless, James Clapper, director of national intelligence until January 2017, warned after stepping down of a danger of complacency, saying that China's growing influence threatened to undermine the "very fundamental underpinnings" of the political systems of America and Australia.

Some political leaders, academics and think-tanks are starting to push back. At the hearing on Capitol Hill this week, Senator Marco Rubio, co-chair of the Congressional Executive Commission on China, expressed frustration that policymakers and business leaders seem "asleep" while China mounts "insidious" attacks on academic independence and free expression, and co-opts American firms or universities dazzled by the size of the Chinese market.

The hearing discussed elaborate efforts to control Chinese students in America. Sophie Richardson of Human Rights Watch, an NGO, described Chinese police visiting the parents of a student who two days earlier had raised "touchy subjects" in a closed-door college seminar in America. Mr Rubio noted government attempts to curb enrolment by Chinese students at the University of California in San Diego, after a speech by the Dalai Lama there. Meanwhile, Chinese attempts to co-opt public officials and academics, even at state and local level, continue apace. Chinese operations are "an extraordinarily important geopolitical issue," said Mr Rubio.

The immediate aim of Chinese sharp power is often self-censorship. Sometimes that takes pressure. In August the Chinese government asked a number of academic publishers to censor their databases of academic articles to exclude sensitive subjects such as the Tiananmen Square protests

and unrest among ethnic Uighurs in Xinjiang. Springer and Cambridge University Press complied but, following furious criticism in the West, CUP reinstated the items.

In November, at short notice, an Australian publisher withdrew a book, "Silent Invasion", citing possible defamation suits from "Beijing's agents of influence". For those already anxious about rising Chinese intervention, the news appeared to confirm their worst fears—and substantiate the academic's argument, summed up in the volume's subtitle, "How China is turning Australia into a Puppet State".

It is not only publishers that are feeling China's coercive powers. A French film festival this summer decided not to screen a Chinese feature that painted a dreary and bleak image of contemporary China. It cited "official pressures" from the Chinese authorities as the reason.

Chinese ownership of firms abroad may also be a threat. Last year 16 members of America's Congress requested a government review of foreign activity in certain strategic industries: they cited particular unease about Dalian Wanda, a Chinese property firm that owns a Hollywood studio as well as two cinema chains in America, because of "growing concerns about China's efforts to censor topics and exert propaganda controls on American media".

### The long arm of the state

Other Chinese state-backed organisations have been trying to strengthen their partnerships with Western think-tanks and universities, partly in order to limit criticism of China and its policies. Many such institutions in the West thirst for cash; taking it from Chinese institutions (all of them in China have party links) has become an "almost normalised" practice, says Peter Mattis of Jamestown, a think-tank in Washington, D.C. In Australia Mr Huang, the Chinese businessman who had donated money to political parties, also gave almost A\$2m to help launch the Australia-China Relations Institute, a think-tank in Sydney. He has since resigned from its board.

Even without direct pressure from Chinese officials, bosses on Western campus- ➤

