Magic Weapons:
China’s political influence activities under Xi Jinping

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In September 2014 Xi Jinping gave a speech on the importance of united front work—political influence activities—calling it one of the CCP’s “magic weapons”. The Chinese government’s foreign influence activities have accelerated under Xi. China’s foreign influence activities have the potential to undermine the sovereignty and integrity of the political system of targeted states.

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Key points:
• CCP General Secretary Xi Jinping is leading an accelerated expansion of political influence activities worldwide.
• The expansion of these activities is connected to both the CCP government’s domestic pressures and foreign agenda.
• The paper creates a template of the policies and modes of China’s expanded foreign influence activities in the Xi era.
• The paper uses this template to examine the extent to which one representative small state, New Zealand, is being targeted by China’s new influence agenda.

Executive Summary
In June 2017 the New York Times and The Economist featured stories on China’s political influence in Australia. The New York Times headline asked "Are Australia’s Politics too Easy to Corrupt?,” while The Economist sarcastically referred to China as the "Meddle Country." The two articles were reacting to an investigation by Fairfax Media and ABC into the extent of China’s political interference in Australia, that built on internal inquiries into the same issue by ASIO and Australia’s Department of Prime Minister and Cabinet in 2015 and 2016. The media and official reports concluded that Australia was the target of a foreign interference campaign by China “on a larger scale than that being carried out by any other nation” and that the Chinese Communist Party (CCP) was working to infiltrate Australian political and foreign affairs circles, as well to acquire influence over Australia’s Chinese
The story is continuing to play out in the Australian media, with more and more revelations of China’s political interference appearing almost daily.

The focus of media attention has been on Australia, but the People’s Republic of China’s (PRC) attempts to guide, buy, or coerce political influence abroad are widespread. China’s foreign influence activities are part of a global strategy with almost identical, longstanding approaches, adapted to fit current government policies. They are a core task of China’s united front work; one of the CCP’s famed “magic weapons” (法宝) that helped bring it to power.

This policy paper examines China’s foreign political influence activities under Xi Jinping, using one very representative state, New Zealand, as a case study. New Zealand’s relationship with China is of interest, because the Chinese government regards New Zealand as an exemplar of how it would like its relations to be with other states. In 2013, China’s New Zealand ambassador described the two countries’ relationship as “a model to other Western countries”. And after Premier Li Keqiang visited New Zealand in 2017, a Chinese diplomat favourably compared New Zealand-China relations to the level of closeness China had with Albania in the early 1960s. The paper considers the potential impact of China’s expanded political influence activities in New Zealand and how any effects could be mitigated and countered.

The role of the CCP in Chinese foreign policy
The People’s Republic of China is a party-state that since its founding in 1949, has always relied on non-traditional means for its diplomacy and economic relations. Agencies of the CCP such as the United Front Work Department, the Central Propaganda Department, the International Liaison Department, the All-China Federation of Overseas Chinese, and the Chinese People’s Association for Friendship with Foreign Countries, all play an important part in Chinese foreign affairs and defence. These agencies supplement and extend, and sometimes override, the work of the PRC’s state sector organizations involved in China’s external relations as well as increasingly, SOEs and private firms.

The key concept in Chinese foreign policy which links party and state organisations is the “united front” (统一战线). The united front is originally a Leninist tactic of strategic alliances. Lenin wrote in “Left-Wing” Communism: an Infantile Disorder,

The more powerful enemy can be vanquished only by exerting the utmost effort, and without fail, most thoroughly, carefully, attentively and skilfully using every, even the smallest, ‘rift’ among the enemies, of every antagonism of interest among the bourgeoisie of the various countries and among the various groups or types of bourgeoisie within the various countries, and also by taking advantage of every, even the smallest, opportunity of gaining a mass ally, even though this ally be temporary, vacillating, unstable, unreliable and conditional. Those who fail to
understand this, fail to understand even a particle of Marxism, or of scientific, modern Socialism in general." (Italics in the original)

From the mid-1930s, CCP strategists adapted Lenin’s tactics to Chinese circumstances and culture. The CCP’s united front can be used in both domestic and foreign policy. United front activities incorporates working with groups and prominent individuals in society; information management and propaganda; and it has also frequently been a means of facilitating espionage.

The PRC was forged out of the civil war from 1927 to 1949 between the CCP and the Chinese Nationalist Party government. The new regime was excluded from the international governance system until 1971, the date when the PRC took over the China seat in the United Nations from the Republic of China (ROC). During the Cold War years, patriotic overseas Chinese (爱国华侨) helped the PRC economy with technical assistance and investments. Over the same period, the CCP government worked to break its diplomatic isolation by making use of an informal diplomatic corps of ‘foreign friends’ of China (外国朋友) who pushed for the recognition of the PRC in their respective nations. In those years, reaching out to the overseas Chinese population (侨务工作) and managing relations with foreigners (外事工作) were essential tasks of CCP foreign affairs. PRC agencies such as the International Liaison Department, the United Front Work Department, and PLA Second Department supported and nurtured revolutionary overseas Chinese in Southeast Asia to undermine governments, foment revolution, and help gather intelligence. The PRC government also supported revolutionary and nationalist movements throughout the world, and nurtured pro-PRC united front organizations. In the Mao years and up to the present day, under the policy known as “using civil actors to promote political ends” (以民促政), CCP united front officials and their agents try to develop relationships with foreign and overseas Chinese personages (the more influential the better) to influence, subvert, and if necessary, bypass the policies of their governments and promote the interests of the CCP globally.

The year 1989 was a turning point in the Cold War, the year when the governments of the Eastern Bloc fell in a series of peaceful revolutions. It was also a turning point for the PRC and its efforts to influence foreign publics and governments. Following the violent crackdown on the pro-democracy movement in Beijing on June 4, 1989, the CCP government faced international sanctions and opprobrium. The Party responded by increasing foreign influence efforts and reaching out even more to overseas Chinese. Members of these communities had supported the student democracy movement, providing funds and safe havens. Yet in speeches in 1989 and 1993, senior Chinese leader Deng Xiaoping spoke of the "unique opportunity" the overseas Chinese offered the PRC, saying that by drawing on their help, China could break out of international isolation and improve its international political standing. Gaining influence over overseas Chinese groups in order to “turn them into
propaganda bases for China” became an important task of overseas Chinese united front work.\textsuperscript{13}

The State Council Overseas Chinese Affairs Office (国务院侨务办公室) was significantly expanded after 1989.\textsuperscript{14} There are currently around 60 million Chinese people living outside China, some of whose forebears left China hundreds of years ago. However the CCP’s main focus since 1989, and the main area of success for its overseas Chinese policies, is towards more recent migrants (新桥), those who have migrated from the PRC in the last 30 years. In 2015 10 million PRC citizens were living abroad.\textsuperscript{15}

The CCP’s efforts to influence the overseas Chinese population has helped to extend China’s global influence and to expand its economic agendas. Post-1989 the CCP’s policies were designed to discourage the Chinese diaspora from supporting Chinese dissidents and Falungong, to reduce the impact of the Taiwan democratic model, as well as to draw on the patriotic sentiments of the overseas Chinese to get them to assist in China’s economic development.

United Front Work Department personnel often operate under diplomatic cover as members of the Ministry of Foreign Affairs,\textsuperscript{16} using this role to guide united front activities outside China, working with politicians and other high profile individuals, Chinese community associations, and student associations, and sponsoring Chinese language, media, and cultural activities. The Party has a long tradition of party and government personnel “double-hatting”; holding roles within multiple agencies.\textsuperscript{17} Chinese consulates and embassies relay instructions to Chinese community groups and the Chinese language media and they host visits of high-level CCP delegations coming to meet with local overseas Chinese groups. The leaders of the various China-connected overseas Chinese associations in each country are regularly invited to China to update them on current government policies.

The CCP wants to avoid being seen to “lead” [领导] the overseas Chinese community, but rather prefers to be seen to “guide” [引导] them.\textsuperscript{18} Overseas Chinese leaders who cooperate in this guidance are encouraged to see their participation as a form of service, serving the Chinese Motherland, the Chinese race, and the ethnic Chinese population within the countries where they live. Their cooperation with China is meant to be a “win-win” situation, whereby they and their community will achieve gains at the same time as China achieving its own agenda.\textsuperscript{19} The goal of successful overseas Chinese work is to get the community to proactively and even better, spontaneously, engage in activities which enhance China’s foreign policy agenda.

After more than 30 years of this work, there are few overseas Chinese associations able to completely evade “guidance”—other than those affiliated with the religious
group Falungong, Taiwan independence, pro-independence Tibetans and Uighurs, independent Chinese religious groups outside party-state controlled religions, and the democracy movement—and even these are subject to being infiltrated by informers and a target for united front work.\(^{20}\)

As in the Cold War years, united front work not only serves foreign policy goals, but can sometimes be used as a cover for intelligence activities.\(^{21}\) The Ministry of State Security, Ministry of Public Security, PLA Joint Staff Headquarters’ Third Department, Xinhua News Service, the United Front Work Department, International Liaison Department, are the main, but not the only, PRC party-state agencies who recruit foreign, especially ethnic Chinese, agents for the purpose of collecting intelligence.\(^{22}\) In 2014, one former spy said that the Third Department had at least 200,000 agents abroad.\(^{23}\) Some Chinese community associations act as fronts for Chinese mafia who engage in illegal gambling; human trafficking; extortion; and money laundering. As a leaked 1997 report by Canada’s RCMP-SIS noted, these organizations also frequently have connections with China’s party-state intelligence organizations.\(^{24}\)

The crisis of 1989 resulted in the CCP government stepping up foreign persuasion efforts (外宣) aimed at the non-ethnic-Chinese public too. As they had done in the past, in this the Chinese government drew on the help of high level “friends of China”—foreign political figures such as the USA’s Henry Kissinger, to repair China’s relations with the USA and other Western democracies. In 1991 the State Council Information Office was set up to better promote China’s policies to the outside world. Reflecting the fact that it is both a party and a state body, its other Chinese-only nameplate is the Office of Foreign Propaganda, 外宣办. Soon after, China Central Television (CCTV) launched its first English language channel. China gradually expanded its external influence activities under CCP General Secretary Jiang Zemin (1989-2002). While these activities failed to ameliorate negative global public opinion towards the Chinese government and its policies, efforts to promote a positive image of China’s economic policies had much more success.\(^{25}\)

In the era of CCP General Secretary Hu Jintao (2002-2012) China made an even bigger investment to expand its foreign influence activities (大外宣). The aim was to get China’s perspectives on global affairs heard and understood.\(^{26}\) CCTV set up a global, multi-platform network, CCTV International; while China Radio International (CRI), and Xinhua News Service also expanded their global presence. From 2007 the Hu government officially embraced Joseph Nye’s theory of soft power, using it both as a justification and as a new euphemism, for the Chinese government’s expanded and revised overseas Chinese and foreigner management techniques and propaganda offensive.\(^{27}\)
Joseph Nye is critical of the Chinese (and Russian) interpretation of his theory. But read from the perspective of a rising (or resurgent) revisionist power, it is easy to understand the interpretation—and its attraction. Nye wrote in his 1990 book *Bound to Lead: The Changing Nature of American Power* that the steady erosion of the Westphalian system, the growing importance of non-state actors in global affairs, the economic interdependence of states, and the development of new information communication technologies had all led to a reduction in the effectiveness of traditional sources of power, so-called “hard power”. In Nye’s understanding, hard power implies the use of threats, bribes, or direct military action in order to coerce another state to change its behaviour. However, what he called “soft power” can offer an alternative means to influence the decision-making of a foreign government or society. According to Nye, states that possess strong soft power resources can become role models, making people across the world want to follow their policies. Nye further argues that armed conflicts will not occur if the hegemon’s cultural influence eliminates differences and prevents new ones from arising. In contrast, it is far more difficult, for a state to achieve its goals—if past actions have led to a negative international image.

The PRC is a rising, revisionist power. The CCP believes that the outside world has a distorted and negative picture of contemporary China. The government has also long been determined to change the security environment it faces and since the 1990s, has been able to steadily build up its hard power capacity. Double digit economic growth since the early 1990s has turned China into a global economic power. Since the Hu era, China has invested in soft power activities in order to strengthen the nation’s comprehensive national power. Yet according to Nye, China (and Russia) “don’t get” what soft power means and are weak in how he measures soft power: attractive culture, political values, and foreign policies. Nye’s emphasis is on the role of civil society to promote a nation’s soft power. But based on the concept of the united front, China uses party-state agencies and their affiliates to develop both soft and hard power, and has consequently adopted a much broader approach in its means to enhance soft power.

**China’s political influence agenda and methods in the Xi era**

Even more than his predecessors, Xi Jinping has led a massive expansion of efforts to shape foreign public opinion in order to influence the decision-making of foreign governments and societies—Nye’s definition of what strong soft power can achieve. Political influence activities in the Xi era draw heavily on the approaches set in the Mao years and the policies of Deng, Jiang, and Hu, but take them to a new level of ambition. This reflects both the growing confidence of the Xi government in China’s international influence, as well as the high stakes strategy he is pursuing to maintain his regime through boosting economic growth and tightening control of information.
Notably, Xi has revived and revitalized many Mao era practices and institutions, blending them with modern concerns and terminology. Like Mao, Xi stresses the importance of information control. In the modernized information environment, this now means not only China’s public sphere, but also how the international media and international academia comments on China and China-related issues. Thus the revitalized CCTV International, re-branded in 2016 as CGTV (China Global Television), provides the CCP line to the outside world (emphasizing business, not politics) via 24-hour satellite broadcasts and social media. At the same time, China Radio International (CRI) and the Xinhua News Service have cornered niche foreign radio, television, and online platforms via mergers and partnership agreements. China Daily, the CCP’s English language newspaper, has arrangements to publish supplements in major newspapers around the world. China has also announced media cooperation partnerships with nations it calls “strategic partners” such as Russia, Turkey, and the 16-plus-1 (central and East European, plus China) states. Chinese universities and university presses have set up partnerships with their foreign counterparts and we are steadily seeing the creep of Chinese censorship into these domains as a result.

In the mid-1960s, Mao’s China was promoted as the center of world revolution; under Xi, China is attempting to lead Globalization 2.0, via a China-centered economic order. Under Xi (as under Mao), united front work has taken on a level of significance not seen in China since the years before 1949, when the CCP was in opposition. In September 2014, Xi gave a speech on the importance of united front work, using Mao’s term to describe it as one of the CCP’s “magic weapons”. The other two “magic weapons” are Party building and military activities, both of which feature prominently in China under Xi. In May 2015, Xi presided over a national united front work conference, the first in nine years, and in July 2015 he set up a Leading Small Group on United Front Work.

Xi-era political influence activities can be summarized into four key categories:
1. A strengthening of efforts to manage and guide overseas Chinese communities and utilize them as agents of Chinese foreign policy.
2. A re-emphasis on people-to-people, party-to-party, plus PRC enterprise-to-foreign enterprise relations with the aim of coopting foreigners to support and promote CCP’s foreign policy goals.
3. The roll-out of a global, multi-platform, strategic communication strategy.
4. The formation of a China-centred economic and strategic bloc.

I will outline the methods of these four categories in the sections that follow, and explore the impact they have had on one representative small state, the Oceanic democracy famed for its agriculture, rich natural resources, and small population: New Zealand.
1. “Bring together the hearts and the power of the overseas Chinese”

Xi Jinping’s ambitious strategy to harness the overseas Chinese population for the CCP’s current economic and political agenda, builds on existing practices and then takes it to a new level of ambition.

**Agencies:** State Council Overseas Chinese Affairs Office, CCP United Front Work Department, Ministry of Foreign Affairs, Ministry of State Security, PLA Joint Staff Headquarters’ Third Department, and other relevant organs.

**Policies:**

- Monitor the local long term Chinese community via community organizations (侨务社团工作) to establish Overseas Chinese Service Centres (海外华侨华人互助中心) to coordinate this work, cherry pick which groups to work with.
- Sponsor and support the emergence of new united front organizations to represent the overseas Chinese, recognizing that they are a diverse group and flexibility is required to establish a positive working relationship with them. Avoid directly interfering in overseas Chinese community affairs unless there is a situation that directly affects China’s political interests, such as the whistleblower Red Capitalist Guo Wengui (Miles Kwok), whose international campaign to expose corruption and espionage activities of the Chinese government at the highest level has provoked a massive counter-attack.
- Unite the ethnic Chinese communities through nurturing and subsidizing authorized Chinese cultural activities.
- Supervise Chinese students and visiting scholars through the united front organization the Chinese Student and Scholars Association (中国学生学者联合会).
- Encourage influential figures within the overseas Chinese community who are acceptable to the PRC government to become proactive in helping shape ethnic Chinese public opinion on political matters.
- Encourage wealthy overseas Chinese who are politically acceptable to the PRC government to subsidize activities which support China’s political agenda.
- Draw on China’s agents and informers abroad to enhance China’s political influence.
- Encourage political engagement of the overseas Chinese community (华人参政). This policy encourages overseas Chinese who are acceptable to the PRC government to become involved in politics in their host countries as candidates who, if elected, will be able to act to promote China’s interests abroad; and encourages China’s allies to build relations with non-Chinese pro-CCP government foreign political figures, to offer donations to foreign political parties, and to mobilize public opinion via Chinese language social media; so as to promote the PRC’s economic and political agenda abroad. Of course it is completely normal and to be encouraged that the ethnic Chinese communities in each country seek political representation; however this initiative is separate from that spontaneous and natural development.

2. Make the foreign serve China
In 2013, at the national conference on CCP Propaganda and Thought Work Xi Jinping utilized a well-known saying of Mao Zedong “make the past serve the present, make the foreign serve China” (古为今用，洋为中用) to sum up his administration’s back-to-the-future approach to governance. In foreign affairs, the Xi administration has revived traditional CCP policies of utilizing people-to-people, party-to-party, and now PRC enterprise-to-foreign enterprise relations in order to coopt foreigners to support and promote China’s foreign policy goals.

**Agencies:** CCP International Liaison Department, Ministry of State Security, CCP national, provincial and city government leaders, Chinese State-Owned Enterprises and Red Capitalists, the Chinese People’s Association for Friendship with Foreign Countries and other such CCP Front organizations.

**Policies:**
- Strengthen party-to-party links.
- Building a global network of strategic partners—a classic united front approach.  
- Appoint foreigners with access to political power to high profile roles in Chinese companies or Chinese-funded entities in the host country.
- Use sister city relations to expand China’s economic agenda separate to a given nation’s foreign policy. The CCP front organization, the Chinese People’s Association for Friendship with Foreign Countries is in charge of this activity.
- Coopt foreign academics, entrepreneurs, and politicians to promote China’s perspective in the media and academia. Build up positive relations with susceptible individuals via shows of generous political hospitality in China. The explosion in numbers of all-expenses-paid quasi-scholarly and quasi-official conferences in China (and some which are held overseas) is a notable feature of the Xi era, on an unprecedented scale.
- The use of mergers, acquisitions, and partnerships with foreign companies, universities, and research centres in order to acquire local identities that enhance influence activities; and potentially, access to military technology, commercial secrets, and other strategic information.

3. “Make the CCP’s message the loudest of our times” The Xi government’s go-global, multi-platform, national and international strategic communication strategy aims to influence international perceptions about China, shape international debates about the Chinese government and strengthen management over the Chinese-language public sphere in China, as well as globally.

**Agencies:** Xinhua News Service, CGTV, CRI, State Council Information Office/Office for Foreign Propaganda, Ministry of Foreign Affairs and other relevant state organs.

**Policies:**
- The approach is multi-platform and multi-media. The Xi era media strategy creates new platforms which merge China’s traditional and new media such as Wechat, and takes it to new global audiences in the developing world, the former Eastern Bloc, as well as to developed countries.
• Under the policy known as to “borrow a boat to go out on the ocean” (借船出海) China has set up strategic partnerships with foreign newspapers, TV, and radio stations, to provide them with free content in the CCP-authorized line for China-related news. The formerly independent Chinese language media outside China is a key target for this activity.
• Integrate and “harmonize” the overseas Chinese media with the Chinese media (海外华文媒体融合).  
• Under the policy to “buy a boat to go out on the ocean” (买船出海) China’s party-state media companies are engaging in strategic mergers and acquisitions of foreign media and cultural enterprises.  
• Under the “localizing” (本土化) policy, China’s foreign media outlets such as CGTV are employing more foreigners so as to have foreign faces explaining CCP policies.
• A new focus on the importance of think tanks in shaping policy and public opinion. China is making a massive investment in setting up scores of China, as well as foreign-based, think tanks and research centres to help shape global public opinion, increase China’s soft power, improve international visibility and help shape new global norms.
• Setting up academic partnerships with foreign universities and academic publishers; then imposing China’s censorship rules as part of the deal.
• Offering strings-attached academic funding through the Confucius Institutes and other China-connected funding bodies, and investment in foreign research centres.
• Under the slogan "tell a good Chinese story," (讲好中国故事) restoring to prominence China’s cultural and public diplomacy. Central and local governments are once again providing massive subsidies for cultural activities aimed at the outside world; from scholarly publishing, to acrobatics, to Chinese medicine. This policy builds on and extends efforts established in the Hu era. China promotes Chinese culture and language internationally through Confucius Institutes, cultural centres, and festivals. The revised strategy particularly focuses on youth; and in countries with a significant indigenous population, attempts to develop close relations with indigenous communities.

4. One Belt, One Road
This is the Xi government’s initiative to create a China-centered economic bloc, one that is “beyond ideology” and will reshape the global order. One Belt, One Road, also known as the Belt and Road Initiative (BRI), builds on, and greatly extends, the “going out” (走出去) policy launched in 1999 in the Jiang era and continued into the Hu era, which encouraged public-private partnerships between Chinese SOEs and Chinese Red Capitalists in China and overseas to acquire global natural resource assets and seek international infrastructure projects.  

Agencies: National Development and Reform Commission (lead agency), State-owned Assets Supervision and Administration Commission of the State Council,
Ministry of Foreign Affairs, and other relevant state agencies, Chinese SOEs and Red Capitalists, Chinese People’s Association for Friendship with Foreign Countries or such CCP united front organizations.

Policies:

• Use OBOR to stimulate China’s economic development via external projects; secure access to strategic natural resources.
• Set up trade zones, ports, and communications infrastructure that connects back to China.
• Provide China-based “China-model” training programs and exchanges for foreign government officials.
• Get foreign governments to do the work of promoting China’s OBOR to their own citizens and neighboring states (another version of “borrowing a boat”).
• Work closely with both national and local government leaders on OBOR projects. Local governments control considerable assets and can make planning decisions at the local level.
• Invest in both China-based and foreign-based OBOR think tanks to help shape global public opinion, strengthen China’s soft power, improve China’s international visibility, and ability to help shape new global norms.
• Offer governments who sign up to OBOR privileged access to the Chinese market.
• Draw on the resources and assistance of overseas Chinese entrepreneurs to extend the objectives of OBOR.
• Promote the view that that OBOR is a win-win strategy both for China and the countries who accept OBOR projects.
• Use united front work to increase support for OBOR.
Why New Zealand is of interest to China

Unlike Australia, New Zealand does not have many of the strategic mineral resources that China needs for its industrial development. But New Zealand is of interest to China for a number of significant reasons. First of all, the New Zealand government is responsible for the defence and foreign affairs of three other territories in the South Pacific: the Cook Islands, Niue, and Tokelau—which potentially means four votes for China at international organisations. New Zealand is a claimant state in Antarctica and one of the closest access points there; China has a long-term strategic agenda in Antarctica that will require the cooperation of established Antarctic states such as New Zealand.\textsuperscript{58} New Zealand has cheap arable land and a sparse population and China is seeking to access foreign arable land to improve its food safety.\textsuperscript{59} New Zealand now supplies 24 percent of China’s foreign milk, and China is the biggest foreign investor in New Zealand’s dairy sector.\textsuperscript{60} New Zealand is useful for near-space research; which is an important new area of research for the PLA as it expands its long range precision missiles, as well as having civilian applications. Chinese companies Shanghai Pengxin and KuangChi Science have used Shanghai Pengxin’s New Zealand dairy farms for near-space launches.\textsuperscript{61} New Zealand also has unexplored oil and gas resources. In 2016, New Zealand was described as being “at the heart” of global money laundering.\textsuperscript{62} The Cook Islands, Niue, and Tokelau are well-known as tax havens and money laundering nations.

New Zealand is also a member of the UKUSA intelligence agreement, the Five Power Defense Arrangement, and the unofficial ABCA grouping of militaries, as well as a NATO partner state. Breaking New Zealand out of these military groupings and away from its traditional partners, or at the very least, getting New Zealand to agree to stop spying on China for the Five Eyes, would be a major coup for China’s strategic goal of becoming a global great power. New Zealand’s ever-closer economic, political, and military relationship with China, is seen by Beijing as an exemplar to Australia, the small island nations in the South Pacific, as well as more broadly, other Western states. New Zealand is valuable to China, as well to other states such as Russia, as a soft underbelly to access Five Eyes intelligence. New Zealand is also a potential strategic site for the PLA-Navy’s Southern Hemisphere future naval facilities and a future Beidou-2 ground station—there are already several of these in Antarctica.\textsuperscript{63}

All of these aspects make New Zealand of interest to China’s Party-State-Military-Market nexus. Unlike the Cold War years when the CCP’s agents and spies were united by a common faith in Maoism-Marxism-Leninism, in the present day, modern-day agents of influence may be working to extend political and strategic interests at one moment, while lining their own pockets in the next. Current policy encourages the blurring of political and economic interests in the pursuit of extending China’s soft power.\textsuperscript{64}
China hasn’t had to pressure New Zealand to accept China’s soft power activities and political influence. The New Zealand government has actively courted it. Ever since New Zealand-PRC diplomatic relations were established in 1972, successive New Zealand governments have followed policies of attracting Beijing’s attention and favor through high profile support for China’s new economic agendas.\(^65\) New Zealand has strived to always be the first Western country to sign up to China’s new external economic policies, whether it is China’s entry into the WTO, a Free Trade Agreement with China, the establishment of the Asian Infrastructure and Investment Bank (AIIB), and most recently the Belt and Road Initiative (BRI/OBOR). New Zealand governments have also encouraged China to be active in New Zealand’s region—from the South Pacific to Antarctica; initially as a balance to Soviet influence,\(^66\) as an aid donor and scientific partner, and lately, as part of “diversification” of New Zealand’s military links away from Five Eyes partnerships.\(^67\)

As a small state which relies on international trade for economic prosperity and the protection of great powers for its security, New Zealand is very vulnerable to shifts in the global balance of economic and political power. New Zealand has had an extended transition from being a colony of the United Kingdom (UK) to full independence. Like most small states, New Zealand looks to larger powers for its security. In the early 1970s the New Zealand economy was rocked by the UK’s entry into the Common Market and the global oil crisis. Formerly known as the UK’s “farm” in the South Pacific, New Zealand’s economic prosperity was founded on access to the British market, and until the fall of Singapore in 1942, New Zealand’s security was also protected by the UK. With the post-WWII decline of British power, New Zealand benefited from the Atlantic Alliance to become an ally of the USA, united by the UKUSA Agreement and (the now defunct) ANZUS Agreement.

Since the mid-1980s, successive New Zealand governments have looked to China as the solution to the loss of access to the UK market. New Zealand retains strong military relations with the UK and US and other traditional partners. However, these days forty-four percent of New Zealand’s trade is with the Asia-Pacific, and China is New Zealand’s second largest overall trading partner and largest market for tourism and milk products—New Zealand’s top two economic sectors.\(^68\) New Zealand signed a Comprehensive Cooperative Relationship Agreement with China in 2003 and a Comprehensive Strategic Partnership Agreement with China in 2014.\(^69\) New Zealand is now expanding relations with China beyond trade, to finance, telecommunications, forestry, food safety and security, education, science and technology, tourism, climate change and Antarctic cooperation, and also into military cooperation. In contrast, the Trump presidency has not ratified the TPPA, which New Zealand helped to set up, and successive US presidencies have refused to sign an FTA with New Zealand—many believe in punishment for New Zealand’s 1987 anti-nuclear legislation. In 2013, New Zealand’s Minister of Defence, Dr Jonathan Coleman,
admitted that New Zealand was currently “walking this path between the US and China.”

There were signs of a shift in New Zealand-China relations under the Clark Labour government (1999-2008), but the current prominence afforded the China relationship has accelerated dramatically under the government that won the election in 2008, the New Zealand National Party. The National Party government (2008-), follows two main principles on China: 1. The “no surprises” policy, which appears to mean avoiding the New Zealand government or its officials or anyone affiliated with government activities saying or doing anything that might offend the PRC government; and 2. a long-standing emphasis on “getting the political relationship right”, which under this National government has come to mean developing extensive and intimate political links with CCP local and national leaders and their representatives and affiliated actors in New Zealand. According to the Minister of Foreign Affairs from 2008-2017, Murray McCully, getting the China relationship right was the “top priority” of his government because the expansion in New Zealand-China trade after the 2008 FTA was signed enabled New Zealand to weather the 2008 Global Financial Crisis.

This cautiousness to not rock the boat over New Zealand-China relations lay behind New Zealand’s reluctance to join the USA and Australia to criticize China’s military-base building activities in the South China Sea. Following massive pressure from Australia and the US, New Zealand Prime Minister John Key (2008-2016) and other ministers made a series of muted remarks in 2015 and 2016, but it was far from what
New Zealand’s allies had hoped for, who have frequently accused the National government of being soft on China. The New Zealand National government’s reticence to speak out on this issue, despite the fact New Zealand has the fourth largest maritime territory in the world and relies on respect for international norms for the protection of its rights, is one telling example of the effectiveness of China’s soft power efforts in New Zealand in recent years. In contrast, after the Chinese government’s crackdown on the student protest movement in 1989, New Zealand joined with other Western governments in making strong statements criticizing China’s actions. At the time, China was New Zealand’s fourth largest trading partner and China trade was a major focus of the then Labour government, but this did not inhibit that government from speaking out on China’s human rights abuses.

**China’s Political Influence Activities in New Zealand**

China’s political influence activities in New Zealand and the agencies involved in those efforts closely follow the template outlined above. The examples of this are numerous, but I will highlight examples below as an illustration.

- **Unsheathing the magic weapon: Overseas Chinese work in New Zealand**

  There are currently around 200,000 ethnic Chinese resident in New Zealand, out of a population of 4.5 million New Zealanders. The majority of Chinese in New Zealand live in Auckland, where they make up around 10 percent of the population. Chinese consular authorities keep a close eye on all Chinese community activities, but especially in Auckland. They have achieved this through close links with core pro-Beijing Chinese community groups, and by maintaining oversight over other Chinese community groups, ethnic Chinese political figures, and Chinese language media and schools in New Zealand. Moreover, during the Xi era, the PRC embassy has supported the setting up of new organizations that report back to united front bodies in China, and, according to two former Australian-based Chinese diplomats, by placing supporters and informers in New Zealand Chinese organizations that are more independent minded and pose a potential threat to China’s interests. This is classic CCP party-building and organization work (组织工作); one of the three “magic weapons” of the CCP. The current level of supervision over the ethnic Chinese community in New Zealand is a remarkable achievement. All throughout the Cold War years, with only a few exceptions, Chinese New Zealanders were neither pro-CCP nor pro-PRC, even if they were not necessarily pro-Chinese Nationalist Party or pro-ROC, and New Zealand’s Chinese-language media, community groups, and language schools were proudly independent.

It should be remembered that the ethnic Chinese permanent residents and citizens of New Zealand are a very diverse group; not all are Han Chinese, not all are originally from the PRC. Many come from Taiwan, Hong Kong, Singapore, Malaysia, Vietnam, Thailand, or elsewhere, their families may have emigrated to New Zealand before 1949, and many of those who did originally migrate from the PRC left there to
escape the politics. But if they wish to be part of a Chinese-speaking environment in New Zealand, then they now have to put up with China’s guiding of political activities within the ethnic Chinese community and tightened censorship on political issues in New Zealand.

The organization most closely connected with the PRC authorities in New Zealand is the Peaceful Reunification of China Association of New Zealand (PRCANZ), founded in 2000. In Chinese the organization’s name is 新西兰中国和平统一促进会, which translates as the “New Zealand China Council for the Promotion of the Peaceful Reunification of China”. It comes directly under the United Front Work Department of the CCP Central Committee. The name of the organisation is a reference to the “Peaceful Reunification” of mainland China and Taiwan. However, the organization also engages in a range of activities which support Chinese foreign policy goals, including block-voting and fund-raising for ethnic Chinese political candidates who agree to support their organization’s agenda. When Chinese senior leaders visit New Zealand, it is united front-affiliated organizations such as PRCANZ who organize counter-protest groups to shout down pro-Falungong, pro-Tibet, or any other group critical of China who come to protest when China’s senior leaders visit New Zealand. In 2014, PRCANZ hosted a meeting of the leaders of over thirty New Zealand united front-affiliated groups to denounce Hong Kong’s pro-democracy protests, the Occupy Movement. In 2015, after the historic meeting between PRC President Xi Jinping and ROC President Ma Ying-jeou, PRCANZ organized a meeting of New Zealand politicians and Chinese community leaders to discuss China’s reunification with Taiwan. National MP Jamie-Lee Ross spoke at the meeting and pledged the New Zealand National Party’s support for the One China policy.
The current head of PRCANZ is Steven Wai Cheung Wong, also known as Huang Weizhang 黄玮璋. Mr Wong has senior leadership roles in many other united front organisations in New Zealand, as well as in China. He is head of the United Chinese Association, head of the New Zealand Chinese History and Culture Association, Vice President of the China Chamber of Commerce in New Zealand, member of the Guangdong Provincial Association of Overseas Exchanges, Shandong Province Association overseas honorary president, member of the China Peaceful Reunification Council, and an adviser to the Beijing Overseas Chinese Affairs Council. Steven Wong was born in Guangdong, China and moved to New Zealand in 1972. He is general manager of New Zealand Fresh Food Co. Ltd and made his money as a manufacturer of potato chips.  

The PRCANZ is one of a growing number of united front organizations in New Zealand and other countries which the Chinese government organises, supports, and subsidises. The PRC also relies on “patriotic” business persons—Red Capitalists—who are always prominent in such organizations, to provide further funding. This is a longstanding practice of CCP united front work. The Red Capitalists may be granted business opportunities and political cover, a win-win situation.

Beijing-supported united front groups in New Zealand are too multitudinous to list in full, but they are generally organizations that group people according to their place of origin; along professional lines; or else interest groups such as the New Zealand China Charity Association. Some of the united front-related groups may only have 5 or 6 members. From the participants’ point of view, the connection with the PRC embassy can bring benefits such as prestige and business opportunities. Because the numbers of groups are now so large, the PRC representatives prioritize a few core organizations and encourage the formation of Chinese community centres to link groups together.

In 2014, the first New Zealand Overseas Chinese Service Centre was set up in Auckland. The organization aims to better coordinate relations between local Chinese associations, the PRC embassy in New Zealand and the State Council Overseas Chinese Affairs Office. The Service Centre has been built on a pre-existing organization, founded in 1998, the Chinese New Settlers Services Trust. In 2017 the head of the Auckland Overseas Chinese Service Centre, Wang Lingjuan, was invited by the State Council for Overseas Chinese Affairs to attend a conference on overseas Chinese affairs, where she laid flowers at a memorial to Mao Zedong. She told reporters, with presumably unintended irony, that the service centres were “like a part of China and that now wherever overseas Chinese go in the world, the Overseas Chinese Service Centre will give them a sense of being back home.”
As in many other countries in the world, each university campus in New Zealand now has a Chinese Student and Scholars Association, one of the main means the Chinese authorities use to guide Chinese students and scholars on short-term study abroad. The New Zealand organization was formed in 2012 and links all the Chinese student groups on the various tertiary campuses in New Zealand. The New Zealand Chinese Student and Scholars Association is “under the correct guidance” of the PRC representatives in New Zealand.\(^89\)

An important Xi era policy on overseas Chinese work is the goal to encourage the Chinese diaspora to become more active in the politics of their host countries. The numbers of ethnic Chinese candidates at local and national elections in New Zealand is growing\(^90\) and this is a very natural and positive development for the New Zealand Chinese community, some of whose members have been in the country for over one hundred and fifty years. Chinese political leaders in New Zealand inevitably come under pressure from PRC diplomats to conform to, and work for, Chinese government policy. Reflecting the diversity of the ethnic Chinese community in New Zealand, many are not attracted to being coopted by the PRC’s representatives in New Zealand.

National’s ethnic Chinese MP Yang Jian, Labour’s Raymond Huo, and ACT’s Kenneth Wang have had varying degrees of relations with united front organizations in New Zealand and the PRC embassy. Kenneth Wang (王小选) entered parliament from 2004-2005 as list MP for the ACT Party and was deputy leader of the party until 2014. Wang is descended from a CCP revolutionary family, he is the grandson of the first CCP governor of Shanxi Province, Wang Shiying.\(^91\) In 2005, Wang was invited to China to meet with the Guangdong Overseas Chinese Association.\(^92\) Wang’s pro-Chinese investment, pro-Chinese immigration policies have been reported favorably in China.\(^93\) In past years, PRCANZ organized many fund-raising events for Wang and encouraged the ethnic Chinese community to block vote for him.\(^94\)\(^95\) Since 2005 Wang has been honorary president of the New Zealand Beijing Chamber of Commerce.\(^96\) He also has leadership roles in a number of other united front-linked organizations: Vice President of the Beijing Association,\(^97\) New Zealand President of the University Alumni Association,\(^98\) and New Zealand Bowo International President.\(^99\)

When Kenneth Wang first entered Parliament as a list MP, 47 percent of Chinese voters voted Labour.\(^100\) But in the 2014 election, 75 percent voted National.\(^101\) National has worked hard to attract the ethnic Chinese vote, investing in saturation media presence in all the Chinese language traditional and social media platforms in New Zealand. National elected its first ethnic Chinese MP, Pansy Wong 黃徐毓芳, in 1996, but she was forced to resign from Parliament in 2011 over scandals related to her misuse of travel perks. Wong had been in the media spotlight for a number of
years, over allegations that her husband, Sammy Wong, had used his wife’s status to boost his business deals in New Zealand and China.

After Pansy Wong was forced out of Parliament, former University of Auckland political studies lecturer Dr Yang Jian 杨健 was shoulder-tapped by National Party President Peter Goodfellow to become the second ethnic Chinese MP because, he was told, “National needs the Chinese vote.” At the time of entering parliament, Dr Yang already had a profile in the ethnic Chinese community in New Zealand due to his community activities as well as his academic status. From 2006 Dr Yang had also been involved in New Zealand’s Track 2 diplomacy.

As widely reported in the New Zealand and international media in 2017, Yang Jian worked for fifteen years in China’s military intelligence sector. It was a history which he has admitted he concealed on his New Zealand permanent residency application and job applications in New Zealand, as well as his public profile in New Zealand—at least in English sources.

However in an article in the People’s Daily (Renmin ribao) magazine, Huanqiu renwu (Global People) in 2013, which was republished in a number of websites, Yang Jian gave an extensive interview detailing aspects of his earliest years, his career in China, and subsequent activities in Australia and New Zealand. Yang Jian entered the PLA-Air Force Engineering College to study English in 1978; he taught at the same college for five years after graduation, trained at the People’s Liberation Army Luoyang Foreign Languages Institute for his first Masters degree, studied for a year at the Hopkins-Nanjing Center for US-China Studies at Nanjing University, and after that, from 1990 to 1993 taught English to students at the Luoyang Foreign Language Institute who were studying to intercept and decipher English language communications.

Yang Jian does not mention his 15 year career and studies with the PLA on his National Party online cv, and it also does not appear on the online cv provided for his profile when he was a lecturer at the University of Auckland. But he did provide this information in a cv in English to be circulated to Chinese officials which he gave to the New Zealand Embassy in China, preparatory to a visit to China in 2012, the year after he entered parliament. And a Chinese language report promoting the setting up of the National Party’s Blue Dragons organization (an ethnic Chinese youth group within that party), highlights his studies at the Luoyang Foreign Languages Institute, while not mentioning any other details about his working life or other tertiary studies when he was living in China. The Financial Times speculated that these selective mentions of his past links with the Luoyang Foreign Languages Institute were meant as a “dog whistle” to the Chinese community in New Zealand.
The PLA-Air Force Engineering College is the PLA-AF’s elite training institution, one of the top ten military colleges in China. So if Dr Yang was allowed to stay on as a teacher after teaching, he would most likely have had to be admitted to the CCP at some point when he was a student, as a teaching position in a military academy would require Party membership. Dr Yang admitted to journalists that he is a CCP member—though insisted he had not been an active member since he left China in 1994. However once someone is accepted into the CCP (which involves an extremely rigorous two-year supervision process), regardless of how an individual may feel, they are always regarded as a Party member; unless they are officially expelled from the CCP. This happens very rarely—one would have to be a traitor or commit a serious disciplinary offence for it to occur.

Yang’s second place of study in China, the PLA Foreign Language Institute at Luoyang, is part of the Third Department of the Joint Staff Headquarters of the PLA, one of the PLA’s two military intelligence agencies. The Third Department is the equivalent of the USSR’s GRU or the USA’s National Security Agency. The Third Department is in charge of China’s signals intelligence operations and provides intelligence assessments. Linguists assigned to the PLA Third Department are sent to the Luoyang Foreign Languages School for language training, then assigned to a Third Department bureau for technical training. Yang Jian’s wife, who goes by the English name “Jane”, was in the same graduate programme with him at the Luoyang Foreign Languages Institute. Jane is an IT specialist, who got a job in information technology at the University of Auckland when Dr Yang took up a lecturing position in international relations there.

The PLA would not have allowed anyone with Yang Jian’s military intelligence background to go overseas to study—unless they had official permission. Even if he had left the PLA, he would have had to wait at least two years before he would be allowed to go abroad and he would have had to have official permission from his former employer to obtain a Chinese passport. In 1994 Yang Jian moved to Australia to study for his second Masters in International Relations and then a PhD at the Australian National University. He quickly became heavily involved in united front activities there. He was chairman of the Chinese Student and Scholars Association in Canberra for many years; and after he moved to Auckland, he took on leadership roles in overseas Chinese activities there too.

Since he entered parliament, Yang has been a central figure promoting and helping to shape the New Zealand National government’s China strategy and been responsible for their engagement with the New Zealand Chinese community. From 2014-2016, Yang Jian was a member of the Parliamentary Select Committee for Foreign Affairs, Defence and Trade. Yang accompanied New Zealand PM John Key and his successor PM Bill English on trips to China and in meetings with senior Chinese leaders when they visited New Zealand. This role would have given him
privileged access to New Zealand’s China policy briefing notes and positions. Under normal circumstances someone with Dr Yang’s military intelligence background in China would not have been given a New Zealand security clearance to work on foreign affairs. Elected MPs are not required to apply for security clearance.

Since entering parliament, Dr Yang has become the National Party’s main organizer and fundraiser among the Chinese community. For example, in 2014 PM John Key attended a fund raising dinner and auction organized by Dr Yang for unnamed wealthy ethnic Chinese voters, which raised $200,000 for National’s election campaign. In 2016 Dr Yang was involved in another major fund-raising event with PM Key, related to the bid to change the New Zealand flag. Six unnamed Chinese donors at an exclusive lunch for nine (the other attendees were Yang and National MP Nikki Kaye) donated a total of $100,000 for the flag campaign. The Chinese donors wanted the Union Jack removed from the New Zealand flag, because it reminded them of the history of British imperialism in China. Yang is seen at most official events involving the PRC embassy and the ethnic Chinese community in New Zealand. The New Zealand media reported that Dr Yang has been investigated by New Zealand’s SIS in the last three years.

Even more so than Yang Jian, who until the recent controversy, was not often quoted in the New Zealand non-Chinese language media, the Labour Party’s ethnic Chinese MP, Raymond Huo 霍建強 works very publicly with China’s united front organizations in New Zealand and promotes their policies in English and Chinese. Huo was a Member of Parliament from 2008 to 2014, then returned to Parliament
again in 2017 when a list position became vacant. In 2009, at a meeting organized by the Peaceful Reunification of China Association of New Zealand to celebrate Tibetan Serf Liberation Day, Huo said that as a “person from China” (中国人) he would promote China’s Tibet policies to the New Zealand Parliament.124

Huo works very closely with the PRC representatives in New Zealand.125 In 2014, at a meeting to discuss promotion of New Zealand’s Chinese Language Week (led by Huo and Johanna Coughlan) Huo said that "Advisors from Chinese communities will be duly appointed with close consultation with the Chinese diplomats and community leaders."126 Huo also has close contacts with the Zhi Gong Party (致公党) (one of the eight minor parties under the control of the United Front Work Department). The Zhi Gong Party is a united front link to liaise with overseas Chinese communities, as demonstrated in a meeting between Zhi Gong Party leaders and Huo to promote the New Zealand OBOR Foundation and Think Tank.127

It was Huo who made the decision to translate Labour’s 2017 election campaign slogan “Let’s do it” into a quote from Xi Jinping (撸起袖子加油干, which literally means “roll up your sleeves and work hard”). Huo told journalists at the Labour campaign launch that the Chinese translation “auspiciously equates to a New Year’s message from President Xi Jinping encouraging China to ‘roll its sleeves up’. ”128 However, inauspiciously, in colloquial Chinese, Xi’s phrase can also be read as “roll up your sleeves and fuck hard” and the verb (撸) has connotations of masturbation.129 Xi’s catchphrase has been widely satirized in Chinese social media.130 Nonetheless, the phrase is now the politically correct slogan for promoting OBOR, both in China and abroad. The use of Xi’s political catchphrase in the Labour campaign, indicates how tone deaf Huo and those in the Chinese community he works with are to how the phrase would be received in the New Zealand political environment. In 2014, when asked about the issue of Chinese political influence in New Zealand, Huo told RNZ National, "Generally the Chinese community is excited about the prospect of China having more influence in New Zealand" and added, “many Chinese community members told him a powerful China meant a backer, either psychologically or in the real sense.”131
Labour have selected another ethnic Chinese candidate in the 2017 elections, who also has close United Front connections—Ms Chen Naisi (陈耐锶), a law student at the University of Auckland. Chen is President of the New Zealand Chinese Students and Scholars Association, and co-president of the Auckland branch of this organization. Chen said in an interview on New Zealand Chinese television that she is “not in the least bit interested in politics” but that the job as an MP will give her the platform to promote the interests of the student association she currently represents. So if Chen, Huo, and Yang are elected in the 2017 election, which is quite likely given their high placing on party lists, there will be a leader of a united front-related organization for managing the overseas Chinese students and scholars, someone who has worked in Chinese military intelligence for 15 years, and someone
who is an extremely active participant in China’s united front activities sitting in the New Zealand Parliament. As one New Zealand Chinese wistfully pointed out on Twitter, between them they will be enough members to form a New Zealand parliamentary CCP party cell.\textsuperscript{134}

The Xi government is encouraging more overseas Chinese to become engaged in politics and one important means to be active in politics is via political donations. Since 2007 the New Zealand Electoral Commission has compiled an annual report on political donations over $1,500 to political parties and candidates. However, “charity” fundraising, such as dinners and auctions, are excluded from this scrutiny. According to a 2017 \textit{Sunday Star Times} report, eighty-three per cent ($8.7 million over six years) of the political donations received by National are from anonymous donors, while eighty per cent ($2.8 million) of those donated to Labour are also from anonymous donations.\textsuperscript{135} This means that the figures available are only partial at best, but they do give an indication of trends when it comes to the large donations to political parties in the period from 2007-2017.

The National Party has been in government since 2008, and this appears to be a factor in why they have received the bulk of recorded funds from Chinese entrepreneurs with close political connections to China in that time period, as when they have not been in power or look to be unlikely to win an election such as the Auckland mayoral race in 2016, donations have shifted to Labour. In this preliminary study, following the model used in Australia to investigate this matter,\textsuperscript{136} I have focused only on those donors where I found evidence of membership in united front-related organizations or close connections with the CCP.

In 2007, Steven Wong, Steven Wai Cheung Wong, 黄玮璋, head of the Peaceful Reunification of China Association of New Zealand made two donations to Labour in one year, $19,000 and $23,000; but his name does not appear again on the list of large donors from 2007-2017. Che Weixing (车卫星 also known as Christine Chee Waxing and Che Weixing) donated $19,468 to National in 2016;\textsuperscript{137} and $15,800 in 2015.\textsuperscript{138} Ms Che holds senior honorary roles in the New Zealand Song Qingling Foundation, the New Zealand Qingdao Association, the Shandong Association, the New Zealand Teo Chew Nang Association,\textsuperscript{139} and she is the deputy president of the Auckland branch of the Peaceful Reunification of China Association of New Zealand.\textsuperscript{140} Ms Che is also the director of Qiushi Property and Acme Longhan Building Company. In Australia, the Peaceful Reunification Association has been a major donor to Australian politicians. As documented below, it appears the trend in New Zealand is slightly different.

Zhao Wu Shen and his wife Susan Chou (also known as Shen Zhaowu 沈兆武 and Zhou Suzhen 周素珍), who reside in Hong Kong,\textsuperscript{141} are the owners of Contue Jinwan Enterprise Group in New Zealand and Kangju Enterprise, 康居企业集团 in China.
Shen and Zhou have sponsored many cultural and social activities in China and New Zealand over the last ten years, working closely with the Chinese government and funding Chinese government projects large and small. The couple are also major political donors in New Zealand. In 2007 Susan Chou donated $41,000 to Labour. Then in 2010, Susan Chou donated $200,000 to National, in 2011 she donated a further $100,000, and in 2014, her family company Contue Jinwan Enterprise Limited donated $200,212.36. The couple joined in the exclusive fund-raising charity dinner for Chinese rich-listers hosted by National MP Yang Jian and attended by John Key in 2014, which raised $200,000 for National’s election campaign.

Shen is the main investor in Mega Upload, a data storage and encryption service set up by the controversial Kim Dotcom, whom the US government is trying to extradite from New Zealand to face a multitude of charges including money laundering and copyright breaches. Further major share-holdings of Mega Upload are held by Jesse Nguy, chair of the New Zealand Chinese Business Association (NZCBA), allegedly on behalf of the convicted money-launderer and so-called “father of Viagra” in China, Liu Yang (aka Yan Yongming). Shen is a close associate of Liu Yang. Nguy (Jesse Seang Ty Nguy), is also a director of Contue Jinwan Enterprise Group along with another company of Shen’s. The board of the NZCBA features a number of leading ethnic Chinese personages associated with both the New Zealand National Party, such as Sammy Wong, husband of National
MP Pansy Wong; and those closely associated with China’s united front work activities in New Zealand, such as the head of Alpha Group Gao Wei.151

Gao Wei (高炜) has been a major donor to the National Party in recent years, via his company Alpha Group Holdings.152 Alpha Group Holdings donated $112,000 to National in 2017; and $50,000 in 2014.153 Gao has very close links with senior New Zealand and senior Chinese political figures.154 Gao Wei is chair of the Fujian Overseas Chinese Business Association,155 Deputy-head of the New Zealand-China Association for the Promotion of Economy and Science,156 Deputy president of the Standing Committee of the New Zealand Fujian Chamber of Commerce,157 Deputy president of the New Zealand Fujian Association, Executive president of the Third World Assembly of Youth, Chairman of the Jilin Province Overseas Chinese Businessmen Association,158 Chair of the Guilin Overseas Chinese Business Association, and a member of the China Returned Overseas Chinese Association, all of which are united front-related organizations.


The chairman of the board of directors of Alpha Group Holdings, Dr Gao Yihuai, is also a senior leader in China’s overseas Chinese activities.159 The General Manager of Alpha Group Holdings, Maggie Chen (陈丽华) who was for many years the chief editor of the New Zealand Chinese Herald, is the Deputy-President of the Song Qingling Foundation of New Zealand, which retains close links to the CCP in New Zealand as well as China.160 The foundation is a CCP united front organization that among other activities, arranges camps for Overseas Chinese youth, to ensure they maintain close links with China and Chinese culture.161 Through the Chinese Herald Ms Chen organized many charity campaigns for causes in New Zealand and China,
which is both worthy, and brings overseas Chinese communities together as desired by the United Front Work Department.\textsuperscript{162}

In 2011 Shi Deyi (also known as Stone Shi, 石德毅) donated $56,500 (via Oravida NZ) to National\textsuperscript{163} and secured a game of golf with John Key in return.\textsuperscript{164} The photo of the match is still used in Oravida publicity.\textsuperscript{165} Shi donated a further $30,000 via Oravida in 2013,\textsuperscript{166} in 2016 he gave $50,000, and then a further $50,000 in 2017.\textsuperscript{167} Shi, is CEO of Shanghai Jiacheng Investment Management 上海嘉诚投资管理有限公司, but in New Zealand he is most well known as the director of the milk products company Oravida. Shi also bought Ardmore airport, Auckland’s second airport, in 2016.\textsuperscript{168} In 2005 Shi was involved in a fraud case in China; his business partner got life in prison, while he was sentenced to pay debts and compensation.\textsuperscript{169} Stone Shi is now a rotating chair\textsuperscript{170} of a Red Capitalists organization, the Shanghai Entrepreneurs Association (上海新沪商联合会).\textsuperscript{171} This is a grouping of 2,000 of the most powerful companies in China, and is under the supervision of the All-China Federation of Industry and Commerce as well as the United Front Work Department. The Shanghai Entrepreneurs Association is a channel for public-private partnerships in China.\textsuperscript{172} It currently has an MOU with the New Zealand China Trade Association.\textsuperscript{173}

Shi bought Oravida in 2010 under its former name Kiwi Dairy, from Terry Lee; a businessman associated with Shanghai Pengxin.\textsuperscript{174} Former New Zealand National PM Jenny Shipley is a director of Oravida, as, for almost five years until 2017, was David Wong-Tung, the husband of National MP Judith Collins.\textsuperscript{175} Collins’ relationship with Oravida attracted media scrutiny when she attended a private dinner with a Chinese customs official and Shi when Oravida were having difficulty exporting their products to China.\textsuperscript{176} The National government later gave Oravida $6000 to help it to overcome border issues.\textsuperscript{177}
In 2013 Ms Fan Xiaomiao donated $62,132.18 to the National Party, and in 2011 she and her husband Zhang Yaxun donated $43,526.41. Zhang and his wife own Henan Province Zhou Fan Investment Company 河南省卓凡事业投资公司 and have seven companies in New Zealand, mostly involved in agriculture. Zhang Yaxun is the chair of the Henan Chamber of Commerce in New Zealand and is a member of the Henan Provincial People’s Association for Friendship with Foreign Countries. The Henan Chamber of Commerce in New Zealand is a united front organization.

GMP Dairy Ltd, run by Karl Ye, also known as Ye Qing 叶青, donated NZ$25,338 to the New Zealand National Party in 2015. GMP Dairy Ltd is 51 percent owned by Sunlight Property Development (purchased from Evergrande in 2016) and 49 percent owned by Ye via his company GMP Pharmaceuticals. The directors of GMP Pharmaceutical are Ye and another family member, and, since April 2017 Conor English, brother of New Zealand Prime Minister Bill English, Ye also owns GMP Nutrition Ltd, and his company Australian Infinity Pacific Holdings owns several other food and nutrition-related companies in New Zealand.

Karl Ye is founder of the Australia-New Zealand China Health Industry Forum, a group that links PRC State sector organizations and the health sector in New Zealand and Australia and he was involved with united front groups such as the Chinese Student and Scholars Association in Australia where he initially migrated to in the early 1990s, and which he still uses as his home address in company listings. In 2012, GMP Dairy subsidiary Cowala used a photo of PM John Key posing with its products in advertising in China; Key had opened GMP Dairy’s Auckland factory that year. Senior National MPs Steven Joyce and Bill English have attended product launches for GMP, as has National Party President Peter Goodfellow. GMP paid for two National MPs, Jamie-Lee Ross and Stuart Smith to visit China in 2016.
In 2017 Lang Lin, owner of Inner Mongolia Rider Horse Industry (NZ) Ltd donated $150,000 to National. Lang’s company is backed by the Chinese government investment firm CITIC (China International Trust and Investment Company), who are sponsoring his bid to expand China’s racing industry through importing New Zealand race horses. CITIC was set up under United Front Work Department auspices.
During his successful campaign for the Auckland mayoralty, in 2016, former Labour leader and MP, Phil Goff received $366,115 from a charity auction and dinner for the Chinese community.\textsuperscript{191} The event was organized by Labour MP Raymond Huo. Tables sold for $1680 each. Because it was a charity auction Goff was not required to state who had given him donations, but one item hit the headlines. A signed copy of the \textit{Selected Works of Xi Jinping} was sold to a bidder from China for $150,000.\textsuperscript{192} A participant at the fundraiser said the reason why so many people attended and had bid strongly for items was because they believed Goff would be the next mayor.\textsuperscript{193} In individual donations, Goff’s largest donor, giving $50,000, was Fuwah New Zealand Ltd, a Chinese-owned company building a 5-star hotel on Auckland’s waterfront and working closely with the New Zealand One Belt One Road Promotion Council.\textsuperscript{194}
• Making the foreign serve China

The CCP has long had a policy of developing party-to-party links, but this has expanded even more intensely under the Xi administration which is determined to improve China’s international image and legitimacy and a New Zealand government that appears to have interpreted getting the “political relationship right” with China very literally. The New Zealand Prime Minister (from 2008-2016 John Key, then from 2016- Bill English), National Party President Peter Goodfellow, and Yang Jian are the key point figures on this strategy, and their names feature heavily in Chinese media reports on New Zealand-China relations. Interestingly, Goodfellow and Yang (until the recent controversy) seldom feature in English language reports on New Zealand China relations, whereas the Prime Minister, Foreign Minister and Defence Minister are prominently featured discussing New Zealand-China relations.

Former politicians with access to government are a valuable commodity. China’s foreign affairs work has always aimed to coopt foreigners with access to political power to support China’s foreign policy agenda. But now the focus is on using foreign political leaders to progress both economic and political relations. China’s united front approach has always used civil actors to promote political ends. CCP united front officials and their agents are tasked with developing relationships with foreign and overseas Chinese personages to influence, subvert, and if necessary, bypass the policies of their governments and promote the interests of the CCP globally. A 1997 report by Canada RCMP-SIS identified a pattern of foreigners
with high-level political contacts being placed in high profile roles in Chinese companies or Chinese-funded entities in Canada. Examples of this can also be found in New Zealand. Concerns have repeatedly been raised about these relationships in the New Zealand media and in parliament. Below I will list some of these connections.

Former National Party leader, Dr Don Brash, chairs the Industrial Bank of China in New Zealand; former National MPs Ruth Richardson and Chris Tremain are on the board of the Bank of China in New Zealand; while former Prime Minister Dame Jenny Shipley chairs the China Construction Bank (New Zealand) and was on the board of the China Construction Bank for six years. She is also chair of the Oravida board. Former National MP and Minister of Finance, Ruth Richardson was a director of Synlait Farms and is now a director of Synlait Milk. Shanghai Pengxin—noted for its interest in New Zealand’s farms as well as near space—owns 74% of Synlait Farm. National MP Judith Collins’ husband David Wong-Tung was on the Oravida board for 5 years. Sammy Wong, husband of former National MP Pansy Wong, assisted Pacific Power Development to get a contract for the Chinese company China North Rail (CNR) to supply 20 locomotives to KiwiRail. CNR also won a $29 million contract to supply 300 flat-deck wagons to KiwiRail.

More recently, former New Zealand PM John Key is now acting on behalf of US media and entertainment company Comcast, to assist Comcast’s business projects in China. In July 2017, Key met with Chinese premier Li Keqiang, the acting mayor of Beijing, and head of China’s Department of Tourism; with the New Zealand Ambassador to China in attendance. In September 2017 the New Zealand media raised pointed questions about the price and purchaser of a two-thirds portion of Key’s Parnell property. The property was sold for NZ$20 million, well above market rates for the area, to an undisclosed Chinese buyer. John Key refused to answer any questions about the transaction.
Sir Bob Harvey, former mayor of Waitakere, heads the New Zealand OBOR Promotional Council which is acting as a matchmaker in infrastructure projects in Auckland. The former mayor of Christchurch, Sir Bob Parker is chairman of Xindu Group, a partnership with Huadu Construction for projects in Christchurch. Parker negotiated investment deals with Huadu in 2013, while he was mayor of Christchurch. Huadu Construction is a Hebei-based former SOE. Eugene Feng, former Head of International Partnerships with the Christchurch City Council’s Christchurch Development Corporation is CEO of Huadu. Huadu’s New Zealand subsidiary, Xindu is involved in multiple projects in Christchurch, including apartment blocks, the Christchurch health precinct, and the Port Hills Adventure Park.

The involvement of the two former mayors of Waitakere and Christchurch in politically-connected Chinese investment projects fits the pattern of Xi-era united front activities. Local governments are important because they are able to make planning decisions on the kinds of infrastructure project China wants to establish in the Belt Road Initiative. The Chinese People’s Association for Friendship with
Foreign Countries (CPAFFC, Youxie, 友协)—a united front organization—is in charge of sister city relations. Since 2015, CPAFFC have run an annual China-New Zealand mayoral forum. During the first meeting the mayors discussed exchanges and cooperation in the fields of tourism, education and primary industry and issued a public statement, the Xiamen Declaration.

CPAFFC had an important role in people’s diplomacy when China was diplomatically isolated during the Cold War. However they were increasingly marginalized from the 1980s on, as the PRC had developed diplomatic relations with most of the countries of the world. The Xi administration’s strategy of working more with local governments for economic projects has now revitalized the CPAFFC, as well as the local equivalents they work with such as in New Zealand, the New Zealand-China Friendship Society (NZCFS). NZCFS, like their parent organization, went into decline from the 1980s on, and struggled to attract membership. Now thanks to significant support from both the PRC and the New Zealand government, a re-invigorated NZCFA is again promoting China’s interests, but this time it is an economic agenda—One Belt, One Road.

In 2012, a wealthy Chinese property developer with close connections to the Chinese government, Simon Deng Li, donated 1 million yuan to the New Zealand China Friendship Society to enable it to expand its activities. In the same year CPAFFC donated a further 1 million yuan. These two donations have now been “localized” by being linked in to the New Zealand government’s Winston Churchill Trust, which provides research funding. Only those who are members of NZCFS may apply for the Winston Churchill Trust fund for projects on China. The society has also used the two donations to subsidize New Zealand journalist and youth visits to China, as well as art exhibitions, book publications and other activities that promote a non-critical view of China in New Zealand.

According to a leaked 1997 RCMP-CSIS report “Chinese Intelligence Services and Triads Financial Links in Canada”, Chinese investors linked to political and criminal interests may conceal their foreign identity by purchasing a foreign company in order to buy a local identity, and then using it to invest in other companies, as a local, rather than a foreign investor. This can be useful for influence activities, and in some cases, it could be a means to potentially access strategic information and technology. The following New Zealand examples may be worthy of further investigation. In 2015 Kuangchi Science signed an agreement with Airways New Zealand and Shanghai Pengxin International to launch a near-space balloon on one of their dairy farms in New Zealand for data transmission. In 2016, Kuangchi Science became the main shareholder of innovative New Zealand near-space company Martin Jackpacks. In 2017 Huawei Technologies Co Ltd signed a partnership with Victoria University of Wellington and Lincoln University. Huawei have received subsidies from the PRC Ministry of State Security, and the USA and
Australia have banned the company from their telecom markets. Huawei have promised to spend NZ$400 million to build a cloud data center and innovation labs in Christchurch and Wellington and are building data capacity well in excess of their needs for the project. In 2013 Huawei were contracted by New Zealand’s Telecom to build the country’s 4G network. Telecom dismissed security concerns raised about Huawei, which had already acquired a major stake in the New Zealand telco market by becoming the main financial backer of start-up telco 2degrees in 2011, who are majority owned by a Māori consortium. In 2014 New Zealand aeronautics company Pacific Aerospace signed a partnership with Beijing Automotive Group for the sale of planes into the Chinese market. However in 2017 Pacific Aerospace were charged by the New Zealand Customs for illegal exports to the Democratic People’s Republic of Korea (DPRK) via its Chinese partner. A UN report documented that, contravening UN sanctions on the sale of such goods to the DPRK, Pacific Aerospace knew about the sale and had offered parts and maintenance training.

• *China’s global, multi-platform, strategic communication strategy*

Following the pattern of many other nations, in the space of a few years, New Zealand’s Chinese language mass media has gone from being an independent, localized, ethnic language medium to an outlet of China’s official messaging. New Zealand’s local Chinese language media platforms (with the exception of the pro-Falungong paper 大纪元/The Epoch Times) now have content cooperation agreements with Xinhua News Service, get their China-related news from Xinhua, and participate in annual media training conferences in China. Some media outlets have also employed senior staff members who are closely connected to the CCP. As part of Xi era efforts to “integrate” the overseas Chinese media with the domestic Chinese media, New Zealand Chinese media organizations are now also under the ‘guidance’ of CCP propaganda officials. Below I list some examples of these policies.

The leading Auckland Chinese language paper, the Chinese Herald has close personnel inks to the PRC consulate and works with the All-China Federation of Overseas Chinese. The paper was originally totally independent, but like many other papers, it has been steadily “harmonized” with Chinese media control agencies. In another example of a once independent organization being “harmonized”, in 2011, Auckland’s only Chinese-language 24-hour radio station FM 90.6 was taken over by a subsidiary of China Radio International (CRI), Global CAMG. FM 90.6 now sources all its news from CRI and its Australian subsidiary. Global CAMG also runs Panda TV, Channel 37, the Chinese Times and Kiwi Style.
CAMG Director Stella Hu, China Radio International Director Wang Gengnian, National Party MP Yang Jian, in an event in February, 2017 to launch an agreement to show Chinese dramas dubbed into English on NZ screens. At the event Yang Jian described Chinese TV dramas as a “symbol of China’s soft power” http://www.cri.com.cn/2017-02-17/b410b69f-81b3-3409-d9a2-bbbc346530e6.html

In 2014, Xinhua set up an extensive cooperation agreement with Skykiwi, New Zealand’s leading Chinese language, multi-platform website which has since become a two-way channel for PRC-New Zealand communication. In addition to publishing Xinhua news content on its website, Skykiwi has organised New Zealand segments of popular Chinese shows such as the dating programme "If You Are the One"/ 非诚勿扰, which are then broadcast on Chinese television; and Skykiwi stories reporting on Chinese people and PRC policies in New Zealand are used in the online publications of the Overseas Chinese Affairs Office. In June 2017, Dan Guizhi, a Skykiwi editor, delivered a speech at an Overseas Chinese media forum organized by the Propaganda Department of the Overseas Chinese Affairs Office of the State Council. In 2015, the Deputy Head of the CCP Central Propaganda Department, Sun Zhijun visited Skykiwi, and instructed the media group to “tell China’s story” This phrase is the key term used to symbolize the CCP’s external propaganda message in the Xi era.
In 2015, World TV, an Auckland-based Chinese language television network with seven channels and two radio stations that was founded by Hong Kong and Taiwanese New Zealanders in 1998, made a controversial decision to take its Taiwan programming off air. World TV has been in partnership with CRI since 2010. In 2016, China Xinhua News Network TV launched its own television station in New Zealand, TV33. In 2017, two young Chinese entrepreneurs founded the television channel NCTV, which also relays news from Xinhua and shows from Chinese state broadcasting, and aims to make programmes that will be able to be shown in China.

In June 2017, at the Langham Hotel in Auckland, the State Council Overseas Chinese Affairs Office hosted an update meeting to discuss the integration of the overseas Chinese media with the domestic Chinese media. In attendance was Li Guohong, Vice Director of the Propaganda Department of the State Council Overseas Chinese Affairs Office, and other senior CCP media management officials, representatives of the ethnic Chinese media in New Zealand, representatives of ethnic Chinese community groups, and Labour MP Raymond Huo. Update meetings (通气会) are one of the main ways the CCP relays instructions to the domestic Chinese media, in order to avoid a paper trail. Party directives are accorded a higher status than national law.
China’s approach to achieving media supervision in New Zealand is identical to that followed in the PRC since the economic reforms of the early 1990s: while media companies may be owned by a range of actors, including the CCP; the Party retains overall political control.\textsuperscript{239} Canadian mass communication scholar Zhao Yuezhi famously described the Chinese media within China as being “between the Party line and the bottom line”,\textsuperscript{240} and essentially the same pattern has now been repeated in New Zealand.

As it has in many other countries, the PRC has made considerable efforts to shape how China is reported in the mainstream media in New Zealand. The National government’s “no surprises” policy on China is a reaction to this work. As they do in many other countries, PRC diplomats put considerable pressure on New Zealand academics, journalists, politicians, and other thought leaders who speak up critically on China-related issues. In 2005, New Zealand Greens MP and Co-leader, Rod Donald, was blocked and surrounded by Chinese officials when he unfurled a Tibetan flag on the steps of the New Zealand Parliament when CCP senior leader Wu Bangguo visited New Zealand.\textsuperscript{241} In 2007, New Zealand parliamentary press journalist Nick Wang was evicted from a photo opportunity at a meeting between Chinese Vice Premier Zeng Peiyan and Labour Deputy-Prime Minister Michael Cullen on the instruction of a “Chinese intelligence official”.\textsuperscript{242} In my own experience, in 2015, Chinese polar officials put pressure on the University of Canterbury, Antarctica New Zealand, the Christchurch City Council, and New Zealand diplomats in China regarding my unpublished research on China and Antarctica.
and a strictly factual comment I’d made to TVNZ on China’s interests in Antarctic mineral resources. It took the support of the University of Canterbury Vice Chancellor, Dr Rod Carr, who upheld the principle of academic freedom, to finally put a stop to this interference.

Some New Zealand journalists have been paid by the PRC embassy to visit China for reporting trips. Of course it is a very good thing that the New Zealand media develop a better understanding of one of New Zealand’s top trading partners, but when someone else is footing the bill, it risks eroding journalists’ independence and credibility and creates a sense of obligation to the sponsor. New Zealand government officials are also being sent to attend short-courses in China funded by the PRC government. Because China is so important to the New Zealand economy, becoming China-literate is essential for the New Zealand politicians and their officials. But the curriculum should not be dictated by China, or by fear of offending China.

In 2016, the CCP English language paper, China Daily, signed a deal with Fairfax Newspapers to have Chinese supplements published in Fairfax Australian and New Zealand newspapers. In 2016, Natural History New Zealand (NHNZ) signed a ten-year co-production agreement with China Central Television (CCTV) for joint film making and so that NHNZ could help CCTV get its content out into the global marketplace. At the time of the signing of these two agreements, the Head of the CCP Central Propaganda Department, Liu Qibao, travelled to New Zealand and met with New Zealand PM John Key. Liu told Key “the Communist Party of China is willing to continue to strengthen governance exchanges and cooperation with the New Zealand National Party in order to promote the healthy and stable development of bilateral relations.”

- The formation of a China-centred economic and strategic bloc.

As has been the pattern for many years, the New Zealand government was quick to sign up to China’s new policy on One Belt One Road. The Council for the Promotion of OBOR in New Zealand was launched in 2015. New Zealand was the first Western country to set up a body to promote OBOR. The New Zealand OBOR Council is led by former Mayor of Waitakere City, Sir Bob Harvey. John Hong (also known as Hong Chengchen 洪承琛) head of Investment and International Relationships, Panuku Development Auckland, at the Auckland City Council, is the chief executive officer of the OBOR Council. Hong is closely connected to Fuqing City authorities and the Fujian Provincial government in China. The other members of the Council are national and local politicians of both main political parties and government officials. The Council has done much to develop links between New Zealand Māori and China, through business initiatives and cultural exchanges.
In March 2017, when Chinese Premier Li Keqiang visited New Zealand, the two countries signed a memorandum of understanding on the Belt and Road Initiative. New Zealand was the first Western developed country to sign such an agreement. During Li Keqiang’s visit the Oceania Silk Road Network (OSRN), the New Zealand OBOR Foundation, and the New Zealand OBOR Think Tank were launched. The Oceania Silk Road Network, aimed at looking for opportunities for New Zealand companies on Oceania OBOR projects and is led by William Zhao, director and CEO of Yashili New Zealand Dairy Company. The New Zealand OBOR Foundation and New Zealand OBOR Think Tank are co-headed by PR specialist Johanna Coughlan (sister-in-law of New Zealand PM Bill English, she is married to his brother Conor English) and Labour Party MP Raymond Huo. As yet neither the “think tank” nor the “foundation” have either a web or a physical presence.

Since the visit of Li Keqiang, the China New Zealand OBOR Foundation has promoted OBOR to closed-door audiences around the country. The government sent Peter Goodfellow, President of the New Zealand National Party and Yang Jian MP, who are also members of the New Zealand OBOR Foundation, to represent it at China’s Belt and Road Forum, held in Beijing in May 2017. A score of pro-OBOR op eds and news items have appeared in the New Zealand media. The China New Zealand OBOR Foundation has established links with China’s National Development and Reform Commission (lead agency on OBOR and the PRC super ministry with a special focus on strategic resources), construction companies, private equity firms, and importantly, with Māori tribes (iwi), because iwi control a significant section of primary industry, fisheries, forestry and the telco market in New Zealand (Te Huarahi Tika Trust, a consortium of iwi, is majority shareholder in New Zealand’s third telco company, 2degrees). Māori also have rights to cultural knowledge of interest to China, such as the use of traditional herbs that can be turned into natural health products.

Chinese language reports have cited Labour MP Raymond Huo’s involvement to claim that both major political parties endorse New Zealand’s involvement in OBOR. The New Zealand Labour Party does not yet have an official policy on OBOR. If Labour were to win the 2017 election it may need to go into coalition with New Zealand First, an important minor party that has often held the balance of power in New Zealand. The leader of New Zealand First, Mr Winston Peters, is adamantly opposed to New Zealand participating in OBOR projects, which means that a Labour-New Zealand First coalition government would likely engage in a re-evaluation of current New Zealand government strategies on cooperating with OBOR. Meanwhile the Green Party, who have an agreement to partner with Labour, and also the other minor parties, have not commented publicly. All however, are likely to have concerns about the extent of New Zealand involvement in the OBOR and the implications for economic independence, the control of strategic assets, and the extent of exposure to China’s massive public debt. The September 23, 2017
election could therefore be a turning point for New Zealand-China relations—leading either to a continuation of the policies that are drawing New Zealand ever closer politically, economically, and also militarily to China, or else to some sort of a re-adjustment.

**Conclusion**

In July 2017 Chinese media jubilantly reported that China was climbing up the global soft power ratings—China is now on a par with Italy, ranked at 25th in the world for soft power. China’s strenuous united front efforts of the last few years have posted a return and it is increasingly able to use its soft power magic weapons to help influence the decision-making of foreign governments and societies. New Zealand, like many other states in the world, is becoming saturated with the PRC’s political influence activities, and due to its pattern of engagement with China and its natural assets, it may even be experiencing more political influence activities than most.

New Zealand’s closest ally, Australia, is taking the threat of China’s accelerated foreign influence activities in their country extremely seriously. Australia is planning to introduce a law against foreign interference activities at the end of the year and may ban all foreign political donations.

Each state resists political interference in its affairs by other nations. The PRC frequently berates the USA and other states for perceived interference in China’s domestic politics, and promotes the non-interference in the domestic affairs of other states as an important principle of its foreign policy (不干涉内政)—though as shown, the united front strategy has always gone against that ideal. For a small state like New Zealand, which is a former colony of one great power and has been under the shelter of another for more than 60 years, it can often be a challenge as to how to defend the nation against foreign political interference. It takes the political will of the government of the day, as well as that of the people of the nation, to do so.

New Zealand has a range of legislation that could deal with some of the foreign influence activities listed in this study. The New Zealand Security Intelligence (SIS) Act (1969) states that the SIS is charged with "the protection of New Zealand from acts of espionage, sabotage, and subversion, whether or not they are directed from or intended to be committed within New Zealand; the identification of foreign capabilities, intentions, or activities within or relating to New Zealand that impact on New Zealand’s international well-being or economic well-being...the protection of New Zealand from activities within or relating to New Zealand that are influenced by any foreign organisation or any foreign person..." The SIS Act defines subversion as “attempting, inciting, counseling, advocating, or encouraging... the undermining by unlawful means the authority of the State in New Zealand.” The Act empowers the SIS to respond to cases of subversion and foreign interference in New Zealand...
politics, interaction with agents of a foreign country, cooperation to influence the foreign and economic policy and public opinion of New Zealand, and acts which deliberately and covertly advancing the agenda of a foreign country at New Zealand’s expense. However, only the Minister of SIS can issue requests to investigate potential cases of subversion and espionage when it concerns political parties. Without government permission, the SIS may not engage in any investigations which will harm another political party, so its hands are tied without political instruction to act.

The Electoral Act (1983) Article 51: B states members of parliament must step down if they “take[s] an oath or make[s] a declaration or acknowledgement of allegiance, obedience, or adherence to a foreign State, foreign Head of State, or foreign Power, whether required on appointment to an office or otherwise from swearing loyalty to another state.”

The Commerce Commission manages the issue of media monopolies in New Zealand. Yet there is no law in New Zealand against the official information service of one country controlling a sector of the media environment via cooperative agreements, mergers, and key personnel. New Zealand’s regulation of media competition has so far focused on ownership, although the public interest is also a concern.

New Zealand has had reforms in how political donations are reported, but more needs to be done. In 2017, Fairfax media website Stuff launched a campaign for transparency in political donations. They argued that the identity of all donors should be promptly disclosed to the Electoral Commission and that loopholes allowing donors to be masked by trusts and other aggregators, such as fundraising dinners and auctions, must be closed. New Zealand may also wish to consider passing legislation to ban all foreign donations.

New Zealand has relatively few public intellectuals, but the right to free speech and intellectual freedom for New Zealand academics—the society’s critics and conscience—is protected under legislation: the Education Act (1989), Part 14 which requires all government institutions and agencies to protect academic freedom, and the Human Rights Act 1993 Article J, which prevents discrimination on the basis of political opinion.

Many of the political influence activities China directs at New Zealand, unless they result in treason, the paying of bribes, or other forms of corruption (Crimes Act 1961) are not illegal. They are instead matters of propriety and national security; which are always subjective. The Cabinet Manual of the New Zealand Parliament advises that Members of Parliament must behave in a way that maintains the confidence of the public and be seen to maintain the confidence of the public—but that is all in the eye
of the beholder. The Manual has nothing to say about ex-ministers of parliament or their relatives.

The SIS Act was passed during the Cold War, when New Zealand politicians were very conscious of PRC and USSR united front organizations and most kept well away from them. Labour Prime Minister Norman Kirk (1972-1974) was so anxious about united front activities that he kept file cards on members of the factions of the New Zealand communist movement, so as to ensure that Labour MPs did not unwittingly become associated with any of them or their united front activities. But several decades have passed since the Cold War ended, and political elites in New Zealand may not be prepared for the new global battle for influence. Small states are particularly vulnerable to foreign influence activities: our traditional media has limited resources and lacks competition; our tertiary education sectors are small, and despite the laws on academic freedom, easily intimidated.

New Zealand’s needs to face up to some of the political differences and challenges in the New Zealand-China relationship and to investigate the extent and impact of Chinese political influence activities on our democracy. This study is a preliminary one, highlighting representative concerns. New Zealand would be wise to follow Australia’s example and take seriously the issue of China’s big push to increase its political influence activities, whether it be through a Special Commission or a closed-door investigation. It may be time to seek a re-adjustment in the relationship, one which ensures New Zealand’s interests are foremost. Like Australia, we may also need to pass new legislation which better reflects the heightened scale of foreign influence attempts in our times. New Zealand can find a way to better manage its economic and political relationship with China, and thereby, truly be an exemplar to other Western states in their relations with China.

Democracies have magic weapons too: the right to choose our government; balances and checks on power through the courts; our regulatory bodies such as the Commerce Commission and the Press Council; the legally-supported critic and conscience role of the academic; freedom of speech and association; and the Fourth Estate—both the traditional and new media. Now is the time to use them.

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battles-chinese-political-influence?

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CAMG New Zealand director Stella Hu, 胡杨, infamous for smashing a colleague’s desk after she was phoned while on holiday is one example (http://www.stuff.co.nz/business/75860815/name-suppression-lapses-for-tv-boss-who-smashed-colleagues-desk-with-hammer);
http://chinese.cri.cn/media/video/mtdk/189/20170510/4357.html;
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The China Australia Media group is run by Jiang Zhaoqing (Tommy Jiang) of the AIMG/Ostar/Austar Group. The AIMG group runs 3CW and
other Chinese-language media in Australia and established a Beijing office in 2008. In China the company cooperates with many state-owned broadcasters. In 2013, Jiang Zhaoqing participated in the 9th conference of the All China Federation of Returned Overseas Chinese, a party united front organisation, held in Beijing. He also participated in the 7th Forum on the Global Chinese Language Media, sponsored by the PRC’s Office of Overseas Chinese Affairs and held in Shandong. Recent reports suggest that Mr Jiang is now linking up with Hong Kong First Pacific (under the Indonesian Salim Group) and the PRC’s Orient International Group (东方国际集团), which comes under the Shanghai Municipality’s State-owned Assets Supervision and Administration Commission (上海市国有资产监督管理委员会), to pursue residential unit developments in Melbourne’s Southbank. Mr Jiang is also now involved in an undertaking named China.com.mm which broadcasts Chinese news to Myanmar in the Myanmar language. This was launched by the Chinese ambassador to Myanmar in May 2015.

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235 http://www.chinaconsulate.org.nz/chn/gdxw/t1361136.htm;
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243 Link to the interview here:
244 http://chinafilminsider.com/new-zealand-pm-tv-companies-cozy-china-state-broadcaster/
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248 http://news.xinhuanet.com/english/2017-04/26/c_136237559.htm
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