It is a strange time indeed when the Australian government must strengthen its powers to stop state, territory and local council governments, and even universities, from undermining the national interest.

Step by step the Morrison government is [closing the door](https://www.theaustralian.com.au/nation/politics/morrison-to-tear-up-victorias-belt-and-road-initiative-deal-with-beijing/news-story/ec1fa27c29897246b6b152420d004a0f) on a disastrous decade for Australia where our greed and naivety turned us wilfully blind to the predatory ambitions of China.

The government and its officials will claim to be “country agnostic”, but overwhelmingly it is the size and aggressive behaviour of communist China that is creating the greatest threat to our sovereign interests.

Beijing’s aim is clear: it wants us to become so economically dependent on China that our sovereignty is compromised, our national security hollowed out and our intellectual property strip-mined.

China’s deputy ambassador to Australia, Wang Xining, [said at the National Press Club this week](https://www.theaustralian.com.au/nation/thousand-talents-spreads-sunshine-on-china-ties-deputy-ambassador-wang-xining-claims/news-story/8435dcc5192dd48d8990acd724eff7f8) that Beijing wanted a relationship marked by “respect, goodwill, fairness and vision”. The reality is that China is more interested in creating dependence and deference — a Canberra where the policy instinct is always to ask: “How does this play in Beijing?”

A key part of China’s strategy is to build connections with state and territory governments because they are easier targets.

Victorian Premier Daniel Andrews’s [testy response to the proposed new laws](https://www.theaustralian.com.au/nation/coronavirus-australia-live-news-bubble-not-blanket-lockdown-plan-to-guide-states/news-story/213baadc46e25eab1c57d14531e7e4fe#U702406349465DjD) displays the limits of his own understanding. Andrews [has pursued a Belt and Road agreement with China](https://www.theaustralian.com.au/nation/politics/daniel-andrews-eyes-wide-shut-on-chinese-spy-threat/news-story/9e5f741b8a47c25555eecc4fa2d8bf13) seemingly with contempt for the principle that the agreement should be justified in public.

Xi Jinping’s Belt and Road strategy is not a benign plan to create jobs in Victoria. It is a plan to strengthen China’s exclusive control over resources and infrastructure from Asia to Europe.

Global outcomes have not been good. Developing countries run the risk of debt entrapment while the reality of investment and wealth creation falls short of the promises.

For Victoria, or any other state or territory, building dependence on a single market is economically irresponsible and strategically dangerous. A smarter state approach would be to spread risk, not concentrate it, and to do nothing that transfers a security risk to Canberra.

Our universities have gone down the same track of building dependency on China.

According to peak body Universities Australia, in 2018 there were 10,392 international agreements with our 39 tertiary institutions. The source of most agreements was - surprise, surprise - China with 1741 agreements — almost a fourfold increase in a decade. The US was a distant second with 1110 agreements.

Some of this collaborative research with China will be mutually valuable, but some of it will be [directed towards Beijing’s military and security purposes](https://www.theaustralian.com.au/nation/china-exploits-australias-lax-laws-to-sign-up-researchers-for-secret-program/news-story/35a48fe48919f0cc2cd269a3bc2fd91d). The failure of our universities to do appropriate due diligence about the purposes and final use of joint research with China is scandalous.

No one can be certain what a federal process of collecting, auditing and making public these international agreements will expose, but it is surely vital that we know what our politicians and academic administrators have signed up to.

An obvious target of the review processes should be to end associations between universities and the so-called Confucius Institutes. These bodies stifle campus debate on issues that Beijing does not want discussed, such as China’s militarisation of the South China Sea, human rights violations in Xinjiang and Tibet, and the choking of freedom in Hong Kong.

How these new laws are implemented will be as important as their drafting. I understand the intent is not to include commercial corporations and state-owned enterprises, but in China these entities can act as undeclared arms of the state. It may be there is concern about the sovereign risk inherent in revisiting commercial arrangements. But this gap needs to be closed as it is related to Chinese companies and state-owned enterprises. When push comes to shove these are effectively at the heel of the Communist Party.

Will the new laws make it possible for government to unpick the appalling set of missteps that led to the Port of Darwin being leased in 2015 to a Chinese company for 99 years? No one in government or opposition defends that decision now. As Australia’s north becomes strategically more important in a hotly contested region, there must come a time when the Port of Darwin is brought back under Australian control.

Hopefully before parliament votes on the legislation there will have been time to refine some thinking. For example, international agreements should be subject to a national interest test rather than their consistency with Australian foreign policy, which is a more variable measure.

While it is fine for this new piece of bureaucratic machinery to sit in the Department of Foreign Affairs and Trade, the task at hand goes well beyond what our diplomats can do. It will be necessary to involve intelligence, the Department of Defence and other agencies. Ministers also will need to keep an eagle eye on what the bureaucrats are doing to make sure they don’t become captive advocates of the organisations they are overseeing.

That said, this is a bold and welcome step, pushing back against attempts to undermine our security. Implementation will be complex, but the outcome should be universities and state governments able to go about their business with assurance that they are strengthening the nation and not undermining core strategic purposes.

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