

# Mega-thinktanks have one dangerous thing in common

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With former secretary of the Department of Foreign Affairs and Trade Peter Varghese undertaking a [review](#) of taxpayer dollars spent on strategic policy work, Australia's China hawks have argued a Canberra-based thinktank, the Australian Strategic Policy Institute (ASPI), cannot be touched.

After an employee of the Chinese embassy included funding an 'anti-China thinktank' in a list of [14 disputes](#) it had with the Australian government in 2020, Senator [James Paterson](#) has said cutting taxpayer dollars for ASPI now would be 'capitulation' to the Chinese Communist Party (CCP). Paterson also argued it would have a 'chilling effect' on other researchers and thinktanks because it would 'be interpreted as punishment of ASPI for its criticism of the Chinese government'.

This is nonsense.

Whatever a representative of Beijing might previously have said has no bearing on Varghese's ability to arrive at principles and recommendations that would see public money spent in ways that best advance Australia's interests.

And as for other researchers and thinktanks, many would wholeheartedly welcome the introduction of a funding environment that reflected and supported liberal democratic ideals like competition, transparency and a diversity of perspectives.

A [report](#) last month by the Development Intelligence Lab (DIL), another Canberra-based thinktank, is illuminating. It catalogues 20 entities that contribute to Australia's strategic policy discussion, including the one I lead, the Australia-China Relations Institute at the University of Technology Sydney (UTS:ACRI).

The disparity in resources between a few mega-thinktanks and the rest is stark. ASPI tops the list with an annual budget of \$14.3 million. Not too far behind is the United States Studies Centre (USSC) (\$13.1 million) and the Lowy Institute (\$9 million).

These mega-thinktanks have one thing in common: access to uncompetitive, multi-year, multimillion-dollar funding arrangements.

In the case of the Lowy Institute, this is via a private donor. But for ASPI and the USSC, the source is the public purse and so Australian taxpayers have every right to ask whether their money is being put to best use.

The accumulated figures are eye-watering.

Since 2018, ASPI has been [granted](#) \$35.5 million in base funding from the Department of Defence.

Then add a [multitude](#) of grants from other government agencies, each worth hundreds of thousands of dollars, as well as in-kind support, such as in 2023 when Home Affairs Deputy Secretary Marc Ablong was [seconded](#) to ASPI but the department continued to pay his senior executive-level salary of \$460,000.

In the case of the [USSC](#), the value of base funding extended since 2018 is \$27 million.

Former Coalition staffer and now ASPI head Justin Bassi [says](#) what many detect as its one-eyed coverage of China simply reflects its status as a 'national security research institute'.

This is disingenuous.

Despite its enormous resources, why does ASPI not have a single employee like Sam Roggeveen at the Lowy Institute: a serious national security thinker, but whose views differ from those of Lowy's director and that challenge the comfortable consensus Australia must respond to China's integrating its military ever more closely with the US?

Universities such as the ANU can also accommodate a diversity of thought that includes high-profile voices such as Hugh White, Anthea Roberts, Rory Medcalf and John Blaxland.

Meanwhile, just prior to [handing](#) ASPI another \$5 million to establish a new office in Washington DC, the former Coalition government pulled funding for [China Matters](#), an Australian public policy initiative established in 2014 by China expert, Linda Jakobson.

Its 'deductible gift status' was also revoked to choke off potential private donations.

All this, despite China Matters being, at its peak, just one-tenth the size of ASPI.

ASPI's Bassi says the decision to defund China Matters was not ideological but rather reflected the quality of research it provided to government was 'variable' and not 'consistently high quality'.

This is galling given the [variable](#) quality of ASPI's own research.

What is also clear from DIL's listing of thinktanks is you'd have to squint hard to find any evidence of nefarious Chinese interference in Australia's public debate around strategic policy.

ASPI aside, when former George W. Bush administration official Mike Green was appointed as chief executive of the USSC in 2022, [he was explicit](#) that an objective of his tenure would be making it 'more focused on agenda-shaping and not just analysis and understanding'. It's safe to say this 'agenda-shaping' is unlikely to align with Beijing's.

UTS:ACRI has been criticised as a tool of Beijing because one-third of its initial funding came from Chinese national, Huang Xiangmo, who had his Australian citizenship application declined and permanent resident status [revoked](#) on the advice of security agencies in 2019.

But the facts are plain and on the public record.

Huang's funding of UTS:ACRI [finished](#) in 2016. And in the eight years since then, UTS has stepped up. By 2022, 95 percent of UTS:ACRI's [funding](#) came directly from the university.

Every scholar at UTS:ACRI earned their position through a competitive recruitment process and has a track record of producing high-quality, peer-reviewed publications. They also have a 'continuing appointment' that provides job security, and [academic freedom](#) is, quite literally, written into their employment contracts.

Beijing wants ASPI dead. Hardly anyone in Australia wants that, me included. But DIL has it [right](#): 'The Varghese Review could inspire the incubation of a public policy ecosystem that is more plural, diverse, balanced and robust - just the sort of knowledge ecosystem Australia needs to navigate the regional and international journey ahead.'

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