

Five Eyes fingerprints on Duggan's arrest

Daniel Duggan a scapegoat of Five Eyes anti-China agenda (Part Two)

Australians should be suspicious that the October 2022 arrest and imprisonment of Australian citizen and former US Marine "Top Gun" pilot Daniel Duggan, is part of a coordinated Five Eyes operation designed to justify the introduction of new national security laws which infringe upon the civil liberties of both citizens and former servicemen, in service of an operation to escalate anti-China tensions which is leading Australia to war. Part One of this series examined the coordinated British media-government-intelligence operation which manufactured a narrative that the Chinese government was "headhunting" former Western military pilots. Part Two documents that the arrest and persecution of Daniel Duggan was a key part of this operation, and examines how Australian intelligence agencies have influenced the legislative process.

On 18
October
2022, a
media-



Australian citizen and former US top gun pilot Daniel Duggan with his youngest children.

government-intelligence operation was launched in the United Kingdom which sensationally alleged that a South African flight school had served as an intermediary for the Chinese military to headhunt former Western military pilots. International mainstream media reporting claimed that ex-servicemen of Five Eyes nations—the international spying alliance of the USA, United Kingdom, Canada, Australia and New Zealand—were specifically targeted for recruitment. Although the story was publicised in Canada and New Zealand, the government response there was relatively muted and there was little further reporting on the matter. The major proponents of the Chinese recruitment narrative were the USA, United Kingdom and Australia—the three members of the AUKUS trilateral security agreement.

The first volley of the operation was launched by the UK on 18 October 2022, in a media blitz which was evidently coordinated with supporting statements issued by the British government and an intelligence briefing to the media, which "named and shamed" the Test Flying Academy of South Africa (TFASA) as the culprit. The story was swiftly picked up by American mainstream media and soon dominated Australian headlines. The 19 October *Sydney Morning Herald* reported the overnight news that the British government had revealed around 30 former UK fighter pilots had trained Chinese pilots at a flight school in South Africa, and there were fears that Australians may be involved in the recruitment scheme.

The third AUKUS member, the USA, played a key but behind-the-scenes role in the operation. On 19 October, mere hours after the British campaign alleging Chinese recruitment of Western pilots launched, the Australian Attorney-General accepted the US government's provisional warrant for the arrest of Daniel Duggan, a former US Marine "Top Gun" pilot and Australian citizen, who was briefly employed by TFASA to train Chinese pilots over a decade prior. Two days later, the Australian Federal Police arrested Duggan. Exactly one week after the media campaign alleging Chinese recruitment of Western pilots launched in Britain, Reuters broke the story of Duggan's arrest, reporting that an anonymous "aviation source" had asserted that Duggan was sought by the Federal Bureau of Investigation (FBI) "because of his work in China". Duggan's arrest appeared timed to corroborate the media narrative; like other media outlets, Reuters linked the two incidents: "The arrest came the same week Britain warned dozens of former military pilots to stop working in China or face prosecution on national security grounds under new laws. Australia is also investigating reports some of its former fighter pilots have been approached to work in China."

Washington subsequently requested Duggan's extradition to the USA, based on the allegation that, over a decade ago, he had trained Chinese military pilots in South Africa. The US government's

extradition request was formally accepted by the Australian government in December 2022. However, Duggan insists vehemently that the training he provided while employed at TFASA between 2010 and 2012 was of a commercial, not military, nature. Duggan's lawyers are fighting his extradition. Despite having no criminal history, the father-of-six has been designated an "Extreme High Risk" prisoner and incarcerated in solitary confinement without adequate food, heating and medical care. The extremely harsh treatment meted out to Duggan has made the former fighter pilot a potent example to other veterans. Duggan's highly-publicised arrest and incarceration has served to support the media narrative that the Chinese government has targeted Five Eyes pilots for recruitment, to steal Western military secrets and gain defence know-how which could be used against Western countries in a military conflict situation.

Given the involvement of the AUKUS states in promoting this anti-China media operation, it is of note that the first time the allegation that the Chinese military may have attempted to recruit former Australian Defence Force (ADF) personnel was brought to the attention of the Australian Defence Department, was through a report submitted by security agencies in June 2021, three months before the AUKUS deal was announced. In a 21 February 2023 speech, the head of one such security agency, Australian Security Intelligence Organisation (ASIO) Director-General Mike Burgess, denounced Defence insiders who were allegedly "willing to sell their military training and expertise to foreign governments". Burgess said: "As we progress AUKUS, it's critical our allies know we can keep *our* secrets, and keep *their* secrets. ... Since the announcement of AUKUS, there's been a distinct uptick in the online targeting of people working in Australia's defence industry." (Emphasis in original.)

In addition to the controversial nuclear submarine deal, AUKUS provides for the joint development of technological capabilities between the three countries, and further integrates the Australian and US defence forces. In a 26 June 2023 interview with the Center for Strategic and International Studies (CSIS), the US National Security Council's Indo-Pacific Coordinator, Kurt Campbell, commented on the challenges of sustaining the (increasingly unpopular) AUKUS deal politically. Campbell has been at the forefront of promoting the US strategy of confrontation towards China for decades, and is widely credited as the architect of the Obama Administration's 2011 "Asia Pivot", the Washington's military rebalance to the Asia-Pacific in response to a rising China. Campbell has described AUKUS as a "melding" of American, British and Australian forces. In his interview with CSIS, Campbell stated that he had "every indication that [AUKUS] will be sustained politically in the United States and Australia", because he believed that "the ballast in our boat will be the armed forces, will be the Navy, *will be our commitment of our defence establishments that now we must complete what we started.*" (Emphasis added.)

Why is Duggan being pursued a decade later?

According to a 22 October 2022 statement issued by TFASA, the British Ministry of Defence (MoD) had been aware of the flight school's activities for years and had never raised any objections to the training contracts undertaken by TFASA's British instructors. Similarly, while Australia's Defence Department had been made aware that former ADF personnel "may" have been approached to provide military-style training, that was in June 2021, through a report submitted by security agencies. And it doesn't appear to have been a priority: the 17 January 2023 *Guardian* reported that it was "unclear what action, if any" then-Defence Minister Peter Dutton took at the time, but that current Defence Minister and Deputy Prime Minister Richard Marles "appeared to have been stirred into action" by the media reports of October 2022.

Despite apparently being aware of the British pilots' activities for years, in the October media blitz UK government officials issued alarmed and outraged statements about the matter, which reinforced the media narrative. Marles followed suit, telling the 19 October 2022 *Australian* that he "would be deeply shocked and disturbed to hear that there were personnel who were being lured by a paycheck from a foreign state above serving their own country." Marles's professed shock was belied by the fact that, as reported by the 9 November 2022 ABC, "Retired ADF members have taken on lucrative roles with foreign militaries for many decades, but usually with prior government permission." For example, the ABC referred to retired Major General Mike Hindmarsh, who serves as the commander of the United Arab Emirates' presidential guard and reports directly to the UAE's Crown Prince.

A similar situation exists in the USA. An exposé published by the *Washington Post* on 18 October 2022 documented that since 2015, hundreds of former American military personnel had taken lucrative jobs working for foreign governments. The US government actively fought to keep the pay and employment details of these veterans secret. Although reservists and retired servicemen are required to first obtain approval and a waiver from their branch of the armed forces and the US State Department before working for foreign governments, the *Post* found that approval was virtually automatic. The US government relied on veterans to self-report their intentions to work for a foreign government, but many servicemen did not even bother to report. According to the *Post*: "There is no criminal penalty for violating the law. Enforcement is almost nonexistent." At most, the *Post* stated, DoD can withhold the pensions of those who ignore the rules. All of which stands in glaring contradiction to the hysterical narrative today justifying the US government relentlessly pursuing Daniel Duggan for training Chinese pilots (which Duggan emphatically insists was civilian in nature), while he was employed at TFASA over a decade ago. In a 22 October 2022 statement, TFASA asserted that the FBI has indicated that the flight school has not broken any US laws. Duggan's lawyers and family assert that the charges against him are politically motivated, and that the veteran pilot is a

victim of Washington's policy of confrontation towards China.

ASIO checks its own homework



Top: The Australian news report that ASIO and AFP were investigating similar claims to those making headlines in the UK. Above: Defence Minister Marles announcing new national security law on the pretext of the Duggan case.

The British government has confirmed that the British pilots involved with the training school had not broken any UK laws. In contrast, the Australian government has refused to confirm if the US accusations against former fighter pilot Daniel Duggan also breach any Australian laws, a legal condition for extradition known as dual criminality. Despite the media furor, the Australian government has also refused to confirm whether or not any Australian pilots had actually been approached for recruitment. These omissions were essential to facilitate Duggan's highly-publicised arrest and imprisonment.

Despite refusing to clarify whether any ex-ADF personnel had actually been approached, Marles has responded to journalists' questions by implying that state secrets had been breached, by repeating the following statement practically verbatim: "Australians who work or have worked for the government in any capacity, particularly our ADF, who come into possession of the nation's secrets, have an obligation to maintain those secrets beyond their employment with, or their engagement with, the Commonwealth. This is an enduring obligation and to reveal any of those secrets is a crime. It's clear and unambiguous."

In various interviews and statements, Marles claimed he asked the Defence Department to "urgently investigate" media reports which alleged that ex-ADF personnel may have been approached to provide military-related training to China, and to come back to his office "with clear advice on the matter". Marles claimed he asked Defence to prepare a report about whether this issue was a "genuine concern" and if it "present[ed] a material danger to Australia or not".

A few weeks later, on 9 November 2022, Marles announced that information provided by the Defence Department's investigation had caused "enough concerns in [his] mind", that he had commissioned a further internal policy review of procedures relating to former Defence personnel. However, it is unclear whether Defence actually undertook the initial investigation into the media reports, as Marles claimed.

In Senate Estimates on the same day, Defence representatives were questioned about Marles's comments. They were asked how the Department became aware of the issue of ex-ADF personnel being approached to provide military-related training to China. Instead of affirming that Defence had investigated the media reports, Deputy Secretary Celia Perkins only replied that the Department was "aware of the Deputy Prime Minister's comments and statements". Rather than as a result of the Department's own investigation, Perkins said that Defence had been made aware "*through our engagement with security agencies* that former ADF personnel may have been approached to provide military-related training services". (Emphasis added.) When asked if the further internal policy review commissioned by Marles was separate to the initial investigation into the media reports, Perkins stated: "There are limits to what I could say about the way that *the national security agencies undertake that work* ... in Defence, at the Deputy Prime Minister's direction, we are both working closely with those agencies *to support them* in that work". (Emphasis added.) When Liberal Senator James Paterson asked whether there were "any current investigations that you are aware of into individual current or former members of the ADF of a criminal or investigative nature", Perkins replied, "that would be a matter *not for Defence but for other national security agencies*". (Emphasis added.)

Rather than Defence leading an inquiry into the media reports as Marles claimed, it appears that "security agencies" actually led this investigation. The agencies in question were ASIO and the AFP, which Marles himself confirmed in a 9 November media address. When Marles was again asked by a journalist whether any Australians had actually provided training to China, he refused to answer the question, but confirmed that Defence was "supporting" the AFP-ASIO Countering Foreign Interference Taskforce, which was "currently investigating a number of cases". Marles confirmed that this work

was separate to Defence's internal policy inquiry. In 15 February 2023 Senate Estimates, Defence representatives were asked if the Department had undertaken any review to ascertain whether any former ADF pilots had served in foreign militaries. Deputy Secretary Perkins replied that Defence worked closely with the Countering Foreign Interference Taskforce around "this particular set of circumstances ... around the prominent case of a former marine [Daniel Duggan]". Perkins affirmed that in this instance, the directions which Marles issued to Defence "were not around that particular case but, rather, how we were positioned to respond" (i.e. the internal policy review).

The allegations that ex-ADF personnel "may have been approached to provide military-related training services" originated in a June 2021 report submitted to Defence by security agencies. ASIO has claimed that, for years, it has been tracking former Defence personnel allegedly "willing to sell their military training and expertise to foreign governments". As documented in Part One, in the UK, ASIO's Five Eyes counterpart, MI5, was directly involved in feeding information to the press to drive the allegations that TFASA had acted as an intermediary for Chinese military headhunters. Duggan's lawyers have accused ASIO of illegally luring Duggan back to Australia to facilitate his arrest at the request of another Five Eyes agency, the FBI. ASIO played a leading role in investigating the media reports which claimed that ex-ADF personnel had been targeted for recruitment by foreign governments, while ASIO and its Five Eyes counterparts appear to have contributed to these allegations. This raises serious concerns that ASIO was "checking its own homework".

Albanese government flags new national security laws

Amidst the media furore over alleged Chinese recruitment activity, Britain's Armed Forces Minister James Heapey announced that the British government would enact new legislation to address the issue. Similarly, Marles also flagged the introduction of new legislation. In a 9 November statement, Marles claimed that the initial investigation into the media reports, which appears to have been led, not by Defence as Marles claimed, but by an ASIO-led taskforce, had provided "enough evidence" to "warrant the need for a detailed examination into the adequacy of current Defence policies and procedures addressing this matter".

In 15 February 2023 Senate Estimates, Perkins confirmed that this internal policy review, which was submitted to the Albanese government in December 2022, looked at "potential policy strengthening and responses where former serving members of the ADF were induced to supply training in countries whose interests were inimical to Australia's". This review was undertaken in cooperation with the ASIO-AFP Countering Foreign Interference Taskforce, which reportedly participated as an "observer".

In a 15 February 2023 interview, Marles stated that one of the recommendations of the classified review was that the government should develop additional legislation, "to remove any doubt around the full breadth of the secrets that need to be maintained", which the government was now pursuing. Foreshadowing that this will be far-reaching legislation, Marles stated that the proposed new national security legislation would address "not just the secrets that people might come into contact with, *but everything that surrounds it, forms part of that*. And that if you release any of that information to anybody, and that would include a foreign power, that would be a breach of Australian law and subject to prosecution." (Emphasis added.) In 15 February 2023 Senate Estimates, Defence officials confirmed that they were working "very rapidly" with the Attorney-General's Department on legislative amendments to strengthen the "coverage of areas we would be concerned not to share, and the capacity of the Commonwealth to respond if we found that people with knowledge of classified information had shared them".

Mainstream media attributed the introduction of this new legislation to the influence of the Countering Foreign Interference Taskforce. On 16 February 2023, news.com.au reported that the new national security legislation would "ensure it is illegal for Australian Defence Force personnel and veterans to disclose state secrets, including to foreign powers such as China. The crackdown is one of the recommendations made by the Australian Federal Police and ASIO following their investigation into allegations Beijing had approached several former Defence members for recruitment."

ASIO hand in the Duggan operation

In addition to ASIO's role in investigating and "confirming" media allegations that the Chinese government had attempted to recruit ex-ADF officials, ASIO has been accused of orchestrating the highly publicised arrest of Daniel Duggan, which appeared timed to corroborate the media narrative. As documented in Part One of this series, although the new Australian and British national security laws were supposedly proposed in response to media reports of Chinese recruitment activities, they appear to have been long desired by Five Eyes intelligence agencies.

The first allegations that TFASA had functioned as an intermediary for the Chinese military to headhunt Western pilots surfaced in an article published by *Intelligence Online* (IO) in May 2022, months before the media blitz launched in October. In this article, IO reported: "Western pilots ready to work for TFASA are not well regarded by their countries' intelligence services. The Australian Security Intelligence Organisation (ASIO), which is already working hard to counter the threat posed by Chinese interference, is *working with the armed forces to deprive them of their security clearance and take legal action against them*." (Emphasis added.) Later, ASIO Director-General Mike Burgess seemed to confirm IO's reporting in his 21 February 2023 Annual Threat Assessment address. Burgess

announced that for several years, ASIO had been tracking former Defence officials who were allegedly “willing to sell their military training and expertise to foreign governments”. Burgess stated that: “In some cases, we and our partners have been able to stop the former insiders travelling overseas to provide the training, but in others, *legal ambiguities have impeded law enforcement’s ability to intervene.*” (Emphasis added.) Similarly, in the UK the 22 October 2022 *Daily Mail* reported that ASIO’s Five Eyes counterpart, MI5, had “no ‘legal levers’ to curtail [the postemployment] activities” of former British military pilots. The *Mail* reported that: “Without any legislation to freeze the pilots’ assets, UK intelligence and defence chiefs remained in a quandary as to how to block the brain-drain to Beijing”. The British media allegations against TFASA originated from an intelligence briefing to journalists, which was reported as a deliberate tactic used by British intelligence agencies to sensationally “out” alleged Chinese headhunting activity.

As reported by the ABC on 20 March 2023, Daniel Duggan’s lawyers have accused ASIO of illegally luring Duggan from China, where he worked as an aviation consultant prior to September 2022, to Australia, to facilitate his arrest and extradition on request of the US government. This lure was in the form of a security clearance which Duggan required to apply for an Australian government job. ASIO issued the security clearance to Duggan, but revoked it shortly after his arrival in Australia. Although such lures are common in the USA, they are illegal in Australia. The matter is currently the subject of an investigation by the Inspector-General of Intelligence and Security (IGIS). Duggan’s arrival in Australia and ASIO’s swift revocation of his security clearance occurred only weeks before the media-government-intelligence operation launched in Britain.

ASIO pursues its own agenda



ASIO boss Mike Burgess giving his February 2023 speech. Burgess talked about respecting the rule of law while running a secret police operation against an innocent Australian to serve the Five Eyes war agenda. Photo: Screenshot

As previously stated, Australian government representatives have refused to confirm whether or not ex-ADF personnel have actually been approached by alleged Chinese military recruiters. When directly questioned about the matter in 15 February 2023 Senate Estimates, Defence Secretary Greg Moriarty declined to answer, stating: “It’s a matter for the government as to whether it wishes to make those types of pieces of information public. ... I think the government’s taken a view about what’s appropriate to put into the public arena at this stage, and we’ll continue to work and engage with ministers on what additional information they may wish to share with the public at what particular appropriate point in time.” However, ASIO evidently ignored the Albanese government’s preference, in favour of the agency’s own agenda. In his 21 February 2023 Annual Threat Assessment address, ASIO Director-General Mike Burgess echoed MI5’s “outing” tactic, by announcing that ASIO had identified former Defence insiders who were “willing to sell their military training and expertise to foreign governments ... a small but concerning number are willing to put cash before country. Third-party companies have offered Australians hundreds of thousands of dollars and other significant perks to help authoritarian regimes improve their combat skills. ... However the individuals rationalise their decisions, the bottom line is they are transferring highly sensitive, privileged and classified know-how to foreign governments that do not share our values or respect the rule of law.” On 21 February 2023 ABC reported Burgess’ remarks, stating: “Months after Defence Minister Richard Marles ordered a review into reports China was trying to recruit former Australian pilots, *the spy boss confirmed* former military personnel were being targeted to sell their training and expertise to foreign governments”. (Emphasis added.)

In 23 May 2023 Senate Estimates, Burgess was questioned about the IGIS investigation into allegations that ASIO had unlawfully lured Duggan back to Australia. Burgess refused to answer, stating that he would not comment on a matter which was the subject of an IGIS inquiry and which

was before the courts, claiming that, in general, he would not comment publicly on what ASIO does. Outside of a parliamentary setting, however, Burgess made pointed references to the matter which were evidently aimed at former “Top Gun” pilot, Daniel Duggan. In Burgess’ 21 February 2023 speech, in which he denounced former defence insiders who were allegedly “willing to sell their military training and expertise to foreign governments”, Burgess declared: “These individuals are lackeys, *more ‘top tools’ than ‘top guns’*. Selling our warfighting skills is no different to selling our secrets—especially when the training and tactics are being transferred to countries that will use them to close capability gaps, and could use them against us or our allies at some time in the future.” (Emphasis added.)

In 15 February 2023 Senate Estimates, Defence Deputy Secretary Celia Perkins said that she did not believe that Defence would seek to track former members of the ADF, stating: “I don’t believe it’s appropriate under Australia’s systems of government, to track people after they leave our employment. People are free to live their lives once they handed back their obligations.” ASIO, however, evidently has no such compunctions, or respect for the civil liberties of citizens which are ostensibly protected under a democratic system of government. In his 21 February 2023 speech citing respect for the “rule of law”, Burgess stated: “For several years now—well before the issue became public—ASIO, through our leadership of the Counter Foreign Interference Taskforce, has been tracking former Defence insiders willing to sell their military training and expertise to foreign governments.”

ASIO’s apparent involvement in promoting yet another anti-China narrative is not an isolated incident. It has been well documented that ASIO has actively participated in previous anti-China operations, in collusion with a willing mainstream media. This has included live televised ASIO-AFP raids on the home of a parliamentarian who was accused of involvement in a Chinese foreign influence plot (the politician was later exonerated as totally innocent of all allegations); the provision of tip-offs and anonymous testimony from ASIO officials which have served as media fodder; and well-timed announcements from ASIO leaders to confirm sensationalised media reports alleging Chinese foreign interference. Prior media campaigns alleging Chinese foreign interference prompted the enactment of Australia’s infamous espionage and foreign interference laws. In much the same way, the media operation which alleged Chinese recruitment of former Western servicemen has resulted in the proposal of new national security legislation, to address a so-called problem which materialised with the involvement of intelligence agencies. The politicised arrest of Daniel Duggan is a key part of this media operation, which is scapegoating the former fighter pilot, holding him in solitary confinement away from his wife and six children, to enforce the Five Eyes’ anti-China agenda that risks dragging Australia into an unwinnable, unthinkable war.

By Melissa Harrison, Australian Alert Service, 19 July 2023