

The Emergence of a New Kingpin in the Pacific: China's Initiatives

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Abstract

The People's republic of China has become diplomatic partner and the second largest aid provider to many Pacific Island countries in the last two decades. It has won recognition of ten Pacific Islands taking away many allies from Taiwan. The rich natural resources, potential markets and geostrategic value that these islands offer, contribute to China's increasing interests in the region. China's involvement in the region comes through establishing embassies and language institutes, paying state visits, funding infrastructure projects and giving concessional loans. The state visits, Confucius institutes and infrastructure development are a way of Chinese engrossment in the South Pacific region.

Keywords

China, Pacific Islands, Infrastructure

Most of the Pacific Island leaders have recently been welcoming their new diplomatic partner - The People's Republic of China. China is one of the fastest-growing economies in the world. Out of fourteen Pacific Island countries, China has ten diplomatic partners. The Pacific Island countries are low-income economies with small population. Due to geographical isolation and vulnerability to natural disasters, the contribution to growth comes mainly from foreign aid. China has emerged as the second-largest aid provider to the region after the traditional donor Australia.

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the state visits, Confucius institutes and infrastructure development to understand the Chinese engrossment in the South Pacific region.

State Visits

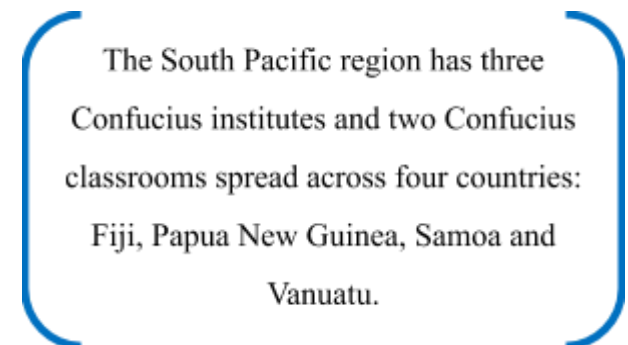
Since President Xi Jinping took office in November 2012, all the Pacific Island leaders have paid state visits to China. Beijing has welcomed the Pacific Island leaders with a red-carpet treatment. The grand welcome can be described as a platform for China to express respect for Pacific Island nations and to show enthusiasm for cooperation, despite their small-sized economies. For example, within weeks of switching allegiance from Taiwan to the People's Republic of China, Beijing warmly received Solomon Islands Prime Minister Manasseh Sogavare on a state visit in October 2019. He became the first prime minister of the Islands to do so. In the meeting with President Xi Jinping, he expressed the country's desire to remain on the right side of history. In the same way, Kiribati President made his first trip to China in January 2020, after terminating its eighteen years relationship with Taiwan. (The Diplomat 2020) He reiterated his country's commitment to the 'One China' policy. Kiribati, one of the most remote countries in the world, is of interest to China due to its close location to the United

States military installations. The leaders of small island nations are enticed by the grand welcome shown by China, a fine way to win partnerships.

Since November 2012, President Xi Jinping has made international trips to four Pacific Island countries; Australia, New Zealand, Fiji and Papua New Guinea. In 2014, he attended the G20 Summit in Australia and paid his first state visit to a Pacific Island country. President Xi Jinping attended Asia-Pacific Economic Cooperation, 2018 meeting hosted by Papua New Guinea, the most underdeveloped member country. United States President Donald Trump's decision to skip the two-day meeting gave President Xi Jinping the spotlight. He inaugurated a Chinese-aided elementary school and a road as part of his state visit, and became the first Chinese president to visit the Island country. A prominent PNG writer and political activist Martyn Namorong described the summit as "XiPEC". (The Guardian 2018) The presence of the leader of the world's second-largest economy at the summit furnished China to gain more influence in Papua New Guinea and the South Pacific region.

State visits are regarded as an expression of friendly bilateral relations between the two countries. The element of state visits for China

is not only directed towards international trade and investment but also to create a direct impact on the leaders of the Pacific nations' through personalized and intimate get-together with President Xi Jinping. In contrast to Xi Jinping's state visits, the United States of America's President Donald Trump has shown a disparaging attitude towards state visits and has gained the reputation of a stay-at-home President. As his first term will come to an end in November 2020, it is surprising to know that he has paid no state visit to any country in the continents of Oceania and Africa. Hence, contrasting to China's increasing moves in the region.



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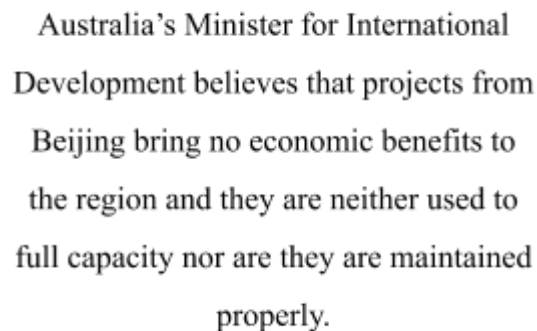
Confucius Institutes

China's efforts of engagement not only include high level visits and communications, these efforts also include gaining public support in the South Pacific region. The Promotion of Chinese language and culture through opening Confucius institutes worldwide is a significant part of Chinese public diplomacy. The program

began sixteen years ago and now has approximately six hundred Confucius institutes all over the world. (Xinhua net 2018) The South Pacific region has three Confucius institutes and two Confucius classrooms spread across four countries: Fiji, Papua New Guinea, Samoa and Vanuatu. China is the first country to engage the isolated continent of Oceania in its initiative of establishing Confucius institutes, unlike similar organizations such as the United Kingdom's British Council, France's Alliance française and Spain's Instituto Cervantes, which maintain no branches in any Pacific Island country except in Australia. When countries like Sweden and the United States of America, whose relations with China are deteriorating are closing down Confucius institutes, Papua New Guinea which is enjoying good relations with China, will be inaugurating its second branch of the institute soon.

The number of institutes are rapidly increasing year after year, the promotion of Chinese language and culture among university students can build positive image perceptions in the South Pacific region. For the students, a knowledge of the Chinese language will open the door for the international job markets as well as in China which is the world's second-largest economy and a leading foreign

investor, or simply to converse with the Chinese tourists in their own country.



Australia's Minister for International Development believes that projects from Beijing bring no economic benefits to the region and they are neither used to full capacity nor are they are maintained properly.

Infrastructure Development

Under the multibillion-dollar Belt and Road Initiative (BRI), China aims bring countries all over the world closer to itself through investments. China's state-owned enterprises and private investment companies undertake more infrastructure projects in the countries involved in BRI.

However, Australia's Minister for International Development, Concetta Fierravanti-Wells in 2018, called these projects 'white elephants' (South China Morning Post 2018) in the Pacific. She argued that these projects taken up by Beijing, bring no economic benefits to the region, they are neither used to full capacity nor they are maintained properly. Several Chinese-aided completed, ongoing and future infrastructure projects in the Pacific Island countries, give legitimacy to the minister's

argument. Examples of such infrastructures are taken from four countries: Vanuatu, Papua New Guinea, Fiji and Solomon Islands.

1. Vanuatu- In Vanuatu's capital city Port Vila, is a massive Chinese-funded infrastructure building called 'National convention center' for which the government does not have any maintenance budget. Since the completion of the project, no international or government conference has taken place there. Similarly, the Chinese-aided Korman stadium built for 2017 Pacific mini games remains largely unused and is in shambles. (ABC News 2019) Just a few miles away from the capital, a Chinese-backed company is building an entire city known as Rainbow international city or Little Singapore. The enormous development will include villas, commercial areas and a five-star hotel hence potentially a mini-city for tourists. The local construction workers are being paid less than the minimum wages. The locals fear their untouched beaches will get privatized and they will have limited access to the city. The natives of Vanuatu do not see any benefits for them from a city behind concrete walls. China also committed to build official residences for the President and the Prime Minister and upgradation of other government buildings.

2. Papua New Guinea- China built a new six-lane road called 'Independence Boulevard' (The Guardian 2018) as a gift for Papua New Guinea, since it became the first Pacific Island country to officially become a part of BRI. In November 2017, the Papua New Guinea leadership approved a reported \$4.4 billion worth of projects to be carried out by China Railway Group for roads, agricultural industrial parks, and a water supply upgrade. (The Diplomat 2018) It is also home to twenty thousand Chinese immigrants, the island country will have its first large-scale infrastructure project - a China Town which will include restaurants, shops and a hotel. The Chinese investor is expected to spend four hundred million dollars on the development. The Papua New Guinea government transferred land title to the Chinese private company with easy diligence check of its background. (ABC News 2019) The incidences of corruption in PNG has been readily evident for many years, now a possible combination of corrupt Chinese and Papua New Guinean entities may further affect the reform work and erode governance of the country.

3. Fiji - Despite Fiji's strong environmental laws, a real estate company with close ties to

The Chinese company brings its own construction workers and did not cater to the local employment needs of Fiji.

China called 'Freesoul', (The Guardian 2019) began construction of a large-scale holiday resort in Malolo Island, which resulted in the destruction of mangroves and damaged the foreshore. After a New Zealand based journalist along with the local landowners brought this issue into light, the environment ministry's investigation found that the company breached half of the laws and subsequently revoked its work permit in April 2019. After the largest infrastructure comes the tallest, the ongoing construction of the tallest building in Fiji is another example of Chinese infrastructure investment. The building 'WG friendship plaza', may offer luxury apartments and hotel facilities in the future but it does not employ locals in the construction work. The Chinese company brought its own construction workers and did not cater to the local employment needs of Fiji.

4. Solomon Islands- Solomon Islands is the most recent Pacific Island country to become part of China's BRI. The Islands will host its first edition of Pacific games in 2023 and the main stadium would be a gift from Beijing. In the future, the major challenge for the government would be allocation of budget for maintaining the infrastructure utility and to ensure, it does not turn into a ghost stadium after the games are over.

The examples of various projects given above majorly emphasize that foreign investors like China, and the host governments must have a well-defined local maintenance plan before starting any infrastructure development project. These local plans should ensure that the donor investment does not deteriorate prematurely and provides maximum long-term economic and social benefits to the people. Since the Pacific island countries are prone to natural calamities, maintenance plans must address these challenges too.

During his visit to Fiji in 2014, he inaugurated the Forum for India-Pacific Island Cooperation.

Chinese enterprises have become increasingly active in the region, bidding for large government projects or even projects financed by international financial institutions, such as the World Bank and the Asian Development Bank. The Pacific leaders and other government officials are not concerned but are rather welcoming of huge Chinese infrastructure projects in their countries. They are generally satisfied with the projects that have been implemented, affirming that construction quality is the same as for other donor projects. The traditional regional player Australia is trying to limit Beijing's reach and hence, it funded and completed the laying of

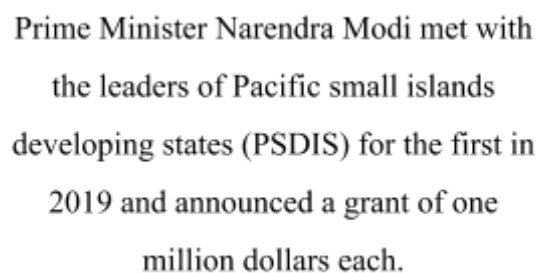
undersea cables for high-speed internet project in the Solomon Islands and Papua New Guinea, a snub to Chinese tech giant Huawei, which had previously competed for the deal. The other regional player New Zealand has increased its Pacific aid budget three times since 2018, and similarly to Australia, rejected proposal from Huawei to supply technology for a next-generation mobile data network on national security grounds.

India's role

India is now paying more attention to the Pacific Island countries which forms a part of the larger Indo-Pacific region. In his first term, the Indian Prime Minister Narendra Modi travelled abroad extensively to increase India's global stature, and covered almost fifty-seven countries as a part of his foreign policy. He paid state visits to Australia and Fiji once. During his visit to Fiji in 2014, he inaugurated the Forum for India-Pacific Island Cooperation. The Forum has held two successful summits till now. For his second term which began in 2019, the Prime Minister can plan more visits to Pacific Island countries to establish a strong geopolitical presence and boost bilateral relations with the island nations.

The Indian public and cultural diplomacy can further be used to create goodwill for India in

the region. Since China is using language institutes to gain influence, India can also



Prime Minister Narendra Modi met with the leaders of Pacific small islands developing states (PSDIS) for the first in 2019 and announced a grant of one million dollars each.

establish centres of Indian Council for Cultural Relations in some of the Pacific Island countries, the way it has done in Fiji and many other Asian and European countries. These centres could attract foreign students to study in India, promote yoga and other cultural activities. This will enhance Indian reputation and increase people to people engagement with these countries.

Since infrastructure development remains the foremost need of the Pacific Island countries, through the Indian technical and economic cooperation programme which is administered by the Ministry of External Affairs of India, financial assistance to small scale companies and education to the low-income groups can be provided. Prime Minister Narendra Modi met with the leaders of Pacific small islands developing states (PSDIS) for the first time during the United Nations General Assembly in September 2019 and announced a grant of one

million dollars for each member country to support high-efficiency projects. He also offered a concessional line of credit of one hundred fifty million dollars to these countries for plans focusing on renewable energy sources and climate change. Hence, India's engagement with the Pacific Island countries will alleviate its position as a rising global power in the coming years.

Conclusion

The Chinese presence is being felt in the South Pacific region, consisting of nations scattered across thousands of kilometres of ocean, the region has increasingly become a strategic battleground. The huge Chinese-funded Vanuatu wharf and Chinese state backed enterprise offered to lease the Tulagi island of Solomon Islands for seventy-five years. This has raised concerns over the possibility of Beijing's military base installations. Fairfax Media reported there have been preliminary discussions between the Chinese and Vanuatu governments about a military base, both the island nations deny awareness about any such proposals. This could however pose challenges to the United States defence interests and its key partners - Australia and New Zealand in the region. China although insists its actions in the Pacific are driven by economic motives only, and the governments of Vanuatu and

Solomon Islands deny any such proposal. New Zealand government however is worried about other countries moving their military bases and weapons into a peaceful Pacific. Under Australia's Pacific step-up policy which was initiated in late 2017, to primarily respond to China's influence, a joint initiative with the United States of America in Papua New Guinea to develop a naval base at Manus Island was announced during the Asia-Pacific Economic Cooperation Summit 2018. Under the same policy, Australia's efforts of personal engagements through ministerial visits to various Pacific Island nations have seen a significant rise, averaging at two high-level visits per month.

The Chinese government is paying attention to public diplomacy, engaging partner countries through teaching Chinese language and culture. More importantly, The Pacific Islands remain one of the most aid-dependent regions in the world which compliments foreign aid element of the Chinese government's 'go global' strategy. According to research from the Lowy institute, between 2011 and 2018, China's committed aid was US \$5.88 billion and spent aid was US \$1.26 billion, making it the second-largest aid provider. Pacific Island countries have subsequently become a hot spot for Chinese enterprises which are going out to invest overseas. Since, the Chinese assistance

to the countries has been directed towards large-scale infrastructure developments, these projects may not be feasible and might cause environmental damages, as these countries still have a higher dependence on the environment and natural resources. Pacific Island countries should not trade environmental quality for smokestack progress. Despite growing concerns in Australia and allied nations about China's investments in the resource-rich island countries of the Pacific Ocean, many leaders of these small island countries hold high opinions of China and its assistance. China's increasing role in the coming years, may win over diplomatic partnership with the remaining four Pacific Island countries.

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