

China, the South Pacific and contemporary geopolitics

mémo
OBSERVATOIRE CHINE 2016/2017

Pr. Anne-Marie Brady, is a Global Fellow at the Wilson Center in Washington, DC and teaches at the University of Canterbury, New Zealand. She is editor-in-chief of *The Polar Journal*, and has written nine books and over forty scholarly articles on topics ranging from China's modern propaganda system, foreigners' management in China and competing foreign policy interests in Antarctica.

Table ronde n°15/16 de l'Observatoire Stratégique et Politique de la Chine, cycle 2016-2017, 25 janvier 2017



Introduction

There is a sense of crisis in the Pacific Ocean, as the level of China's ambitions have reached that of the United States (US), and can be compared to the maritime expansion of the US in the 19th century, or of Spain in the 16th century. In this context, the fourteen Pacific island countries, which are micro-states with sizeable maritime territories, are highly prone to future conflicts. Although the Pacific is rather low in China's priorities, China remains a major player with economic, political, security and strategic interests in the region.



An involvement driven by the competition for diplomatic recognition

China showed a limited interest in the South Pacific until the 1990s, only providing development aid. There was nevertheless a concrete interest from Pacific states for a Chinese presence that could counter-balance the aggressive spying and intrusion policy of the USSR and do away with the image of the region as an 'American lake'¹.

The South Pacific took a new dimension in the 1990s after Taiwanese President Lee Teng-hui started to aggressively try to gain more diplomatic allies in the region, to the detriment of Beijing. It then became important for China to get more involved in the South Pacific and attempt to reverse the trend.



China's rise in the South Pacific: "A perfect storm"

Together with the diplomatic competition with Taiwan, new economic interests pushed China towards the South Pacific. On the one hand, the new millennium signaled the start of the «go abroad policy» and, on the other, local actors pulled Chinese investments. A classic example is the case of New Caledonia where the indigenous ethnic minority group Iwi partnered with China to exploit land granted from the government. The 2009 coup in Fiji also brought China further in, as China massively boosted its aid when the Island was under heavy sanctions from neighbouring States.

Political interest also gained in prominence with the expanding Chinese overseas community in the South Pacific, in particular since the spread of massive riots across the region over Chinese business influence. In addition, China has military and strategic interests mainly for its mobile satellite boats, which are crucial to China's nuclear programme, and that need to be on port.



China's aid policy to the Pacific

China is markedly the only donor that gives to all states of the Pacific. Another characteristic is that the aid is entirely bilateral because China likes to invest in showcase projects, ignoring repeated calls from Australia and New Zealand to include aid in the Pacific Plan. China's official aid to Oceania represents



1- New Zealand's Prime Minister Rob Muldoon asked Chinese leader Deng Xiaoping on a visit to China in 1980 "to help maintain political stability in the South Pacific" by getting involved politically and economically in the region.

around 4% of its total international aid, and only passed over the 10% bar once in 2008.

Pacific States are often tied to China due to difficulties in repaying soft loans. For three states out of fourteen, it is as much as 3,5% of their GDP that is used in paying back Chinese soft loans. This dependency is useful for China to collect votes in regional organisations. Considering this, the most effective way for Europe to help these states would be to diversify aid.



Outcome for the interests of other major players in the South Pacific

China's strategy in the South Pacific must be connected to its broader strategy, among which three major concepts are relevant. First, China is trying to break the three Island Chains², the PACOM, along the South Pacific and along South China Sea, which is an architecture that derives from the Cold War. Secondly, China's view of the Pacific is linked to its interests in the region as well as the release in 2014 of the Nine-dash line. Finally, China has shown some interest in Antarctica and has recently tried out new routes.



China's Pacific diplomacy

For Pacific leaders, China has become the first point of call, as it has become for an increasing number of people. In that sense, the conflict between China and Taiwan has greatly fuelled Pacific leaders' corruption. However, there is a difference between the elite's perception and the leaders' rhetoric. If in private the elite is extremely worried about the level of debt to China, leaders favour a "no surprise policy".

China has been seeking to appear as a neutral actor in the Pacific, although in 2012, Wu Bangguo, then President of the Standing Committee of the National People's Congress, made a bold statement on a visit to Fiji that highlighted China's "opposition to the bullying of big region strong countries over the small or weak countries", adding that "the Chinese are opposed to the imposition of isolation by some countries over Fiji."

China's Arctic strategy should also be understood in line with considerations that have been raised for the South Pacific. The Arctic is important for three main reasons to China: security, resources, and strategy. Finally, the "New global map of the People's Liberation Army" that displays the polar regions seems to show a new global order where the world is connected and the maritime area takes a new importance.



2- Originally, a concept conceived by former US Secretary of State John Foster Dulles (1953-1959) to deal with the domino expansion of communism.



Questions and Answers

- Taiwan's presence in the South Pacific
China has currently eight diplomatic allies against six for Taiwan (among twenty-one) in the South Pacific. The Solomon Islands is the most vulnerable country that could fall into the Chinese camp. Taiwan has a diplomatic strategy that goes in pair with a local Taiwanese population, and an ODA that is not transparent at all.
- China's involvement in the regionalisation of the South Pacific
As in the rest of the world, China has set up parallel structures that are directly linked to Beijing. For example, Melanesia hosts the Spearhead Group that is funded by China. In terms of development aid, China does not participate in the Pacific Plan and never accepts joint projects.
- Chinese communities and the local population
China has been very efficient at protecting its Chinese community abroad. For example, during the 2006 East Timor crisis, Beijing even airlifted and repatriated Chinese people that had been living on the island for 150 years. In parallel, there is a critical disconnection between the Chinese community and locals in terms of identity that is also linked to criticism of Chinese business influence. Finally, China has been working to increase the number of Chinese tourists to the Pacific, but it is a tap that can be turned off when necessary to apply pressure.