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Special Issue
How does the 'Pacific'
fit into the 'Indo-Pacific'?

Joanne Wallis and James Batley

Collin Beck

Ewen McDonald

Brendan Sargeant

Tess Newton Cain

Denise Fisher

Wesley Morgan

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How Does the ‘Pacific’ Fit into the ‘Indo-Pacific’? The Changing Geopolitics of the Pacific Islands

Joanne Wallis and James Batley, Editors

In the 2013 Defence White Paper the Australian Government identified its zone of strategic interest as the ‘Indo-Pacific’, which it described as “connecting the Indian and Pacific Oceans through Southeast Asia”.¹ That formulation was repeated in the 2016 Defence and the 2017 Foreign Policy White Papers² and is increasingly used by the United States (US), India, Japan, France and Indonesia.

While academic and policy debate about the Indo-Pacific concept has been voluminous,³ the question of how the Pacific Islands fit into this strategic region has been overlooked.

This changed when Dame Meg Taylor, Secretary General of the Pacific Islands Forum, emphasised during a keynote address at the Australian National University (ANU) in September 2018 her concern about the “recasting of geostrategic competition and cooperation under the rubric of the ‘Indo-Pacific’”.⁴ A week earlier, Samoan Prime Minister Tuilaepa Sailele Malielegaoi delivered a speech in which he highlighted the “real risk of privileging Indo over the Pacific”.⁵ Both were concerned that the Indo-Pacific formulation encouraged external powers to overlook the particularities and interests of the Pacific Islands and to see the region primarily through the lens of geostrategic competition between major powers.

In recent years, Pacific Islands’ leaders have developed and advanced the concept of the ‘Blue Pacific’. This formulation is intended to encourage Pacific Island states to act as a ‘Blue Continent’ based on their “shared stewardship of the Pacific Ocean”.⁶ Taylor has argued that this could see Pacific Island states “exercising stronger strategic autonomy”,

1 Department of Defence, *Defence White Paper 2013* (Canberra: Australian Government, 2013), p. 7

2 Department of Defence, *2016 Defence White Paper* (Canberra: Australian Government, 2016); DFAT (Department of Foreign Affairs and Trade), *2017 Foreign Policy White Paper* (Canberra: Australian Government, 2017).

3 See, for example: Rory Medcalf, ‘In Defence of the Indo-Pacific: Australia’s New Strategic Map’, *Australian Journal of International Affairs*, vol. 68, no. 4 (2014), pp. 470–83; David Scott, ‘Australia’s Embrace of the ‘Indo-Pacific’: New Term, New Region, New Strategy?’, *International Relations of the Asia-Pacific*, vol. 13, no. 3 (2013), pp. 425–48.

4 Dame Meg Taylor, ‘Keynote Address: 2018 State of the Pacific Conference’, Australian National University, Canberra, 8 September 2018, <www.forumsec.org/keynote-address-by-secretary-general-meg-taylor-to-the-2018-state-of-the-pacific-conference/>.

5 Hon Tuilaepa Sailele Malielegaoi, ‘Pacific Perspectives on the New Geostrategic Landscape’, speech at the Lowy Institute, Sydney, 30 August 2018, <www.loyyinstitute.org/publications/speech-hon-prime-minister-tuilaepa-sailele-malielegaoi-pacific-perspectives-new>.

6 PIFS (Pacific Islands Forum Secretariat), *Forum Communiqué*, Apia, Samoa, 5–8 September 2017.

“understanding ... the strategic value of our region” and “maintain[ing] our solidarity in the face of those who seek to divide us”.⁷

While the ‘Blue Pacific’ concept originally developed independently of the ‘Indo-Pacific’ formulation, the evolving geostrategic situation in the Pacific Islands has nevertheless raised the question of how the two concepts might relate to each other: should they be seen as visions in opposition to each other, as simply inconsistent with each other, or even as potentially compatible with each other?

In June 2019, speakers from Australia, New Zealand and across the Pacific Islands convened at a workshop at the ANU to use the question of how the Pacific fits into the Indo-Pacific as a starting point to analyse the changing geopolitics of the Pacific Islands and their implications for the region and Australia. They also asked whether the Blue Pacific concept has the potential to advance Pacific Islands’ regional cooperation in pursuit of their strategic interests. The workshop featured keynote speeches by Collin Beck, Permanent Secretary of the Solomon Islands Ministry of Foreign Affairs and External Trade, and Ewen McDonald, Head of the Office of the Pacific in the Department of Foreign Affairs and Trade (transcripts of which are included in this special issue), as well as six panels that explored how Australia, New Zealand and the Pacific Islands viewed their security and strategic interests in the context of the changing geopolitics of the region.

The workshop constituted a valuable, but unusually rare, opportunity to bring together scholars and practitioners working, on the one hand, on Australia’s strategy and defence and, on the other hand, on the interests of the Pacific Islands. The discussions revealed that Australians, New Zealanders and Pacific Islanders were concerned about the implications of the changing geopolitics of the region, but that—perhaps not surprisingly—they did not always share the same geopolitical perspective.

Brendan Sargeant, the principal author of the 2013 Defence White Paper and now at the ANU, said that he thought the Indo-Pacific was still being formed as a geographical and political concept in Australian, and wider, strategic thinking. Despite this, Graeme Dobell from the Australian Strategic Policy Institute (ASPI) argued that the concept had become synonymous with US strategy, particularly its effort to draw in states such as Australia, Japan and India to counterbalance an increasingly assertive China. Indeed, Michael O’Keefe from La Trobe University argued that the concept was influencing Australia’s global military threat perceptions, leading it to deprioritise human security concerns in its approach to the Pacific Islands. In contrast, Anna Powles from Massey University noted that, while New Zealand broadly supported increased US activity in the Pacific Islands, it was concerned about potential militarisation in the region.⁸ With this in mind, former New Zealand diplomat, Marion Crawshaw, now at Victoria University, made the case for Australia and New Zealand to work together more proactively in the region to align their policies with the interests of Pacific Island states. A shift in emphasis from the Indo-Pacific framing would likely assist this. Richard Balkonan, Head of the Asia

7 Taylor, ‘Keynote Address’.

8 Joanne Wallis and Anna Powles, ‘Australia and New Zealand in the Pacific Islands: Ambiguous Allies?’, *Centre of Gravity* series, no. 43 (Canberra: Strategic and Defence Studies Centre, ANU, 2018), <sdsc.bellschool.anu.edu.au/experts-publications/publications/6508/australia-and-new-zealand-pacific-islands-ambiguous-allies>.

Pacific Division of the Vanuatu Ministry of Foreign Affairs, observed that the Indo-Pacific framing had not been met with much enthusiasm in Vanuatu, as there was uncertainty about what it entailed and whose interests it served.

Although scepticism about the consequences of the Indo-Pacific framing and China's increased presence in the Pacific Islands was expressed at the workshop, several speakers acknowledged that Australia had legitimate strategic interests in the region. Australia has long articulated a strategic interest in ensuring that no power with interests that are potentially inimical to its own establishes a strategic foothold in the region from which it could launch attacks on Australia or threaten allied access or its maritime approaches.⁹ Reflecting this, Captain Sean Andrews, Director of the Royal Australian Navy's Sea Power Centre, drew historical parallels between Australia's strategic interest in ensuring that European powers were excluded from the Pacific Islands at Federation with its focus on excluding potential hostile powers today.

In contemporary Australian strategic debates the risk that China could establish a military base in the Pacific Islands has gained prominence since reports in April 2018 that China was in talks to build a base in Vanuatu.¹⁰ Both Sargeant and Andrews considered the potential consequences of such a base for Australia, including the fact that it would: provide less time for Australia to respond to potential hostility; motivate increased defence spending as a countermeasure; reduce Australia's capacity to exercise freedom of movement; and generate domestic political unease. However, they both observed that it would be costly and difficult for China to maintain a base in the region, particularly because its distance from China would make supply lines vulnerable and logistics difficult. The establishment of military bases was also discussed with reference to the redevelopment of the Lombrum naval base on Manus Island in Papua New Guinea (PNG). While some participants expressed concerns that this signalled an attempt by Australia to "militarise" the region, it was noted that there was a history of Australian involvement with that base. Moreover, Anthony Bergin from ASPI pointed out that the redevelopment of the base is taking place in the context of Australia's Pacific Maritime Security Program and is required to accommodate the new Guardian class patrol boats that Australia is donating to PNG to help it to protect its sovereign waters.

A number of speakers identified the need for Pacific Island states to have a platform from which to engage in conversations about these, and other, geopolitical developments. Beck identified the importance of strengthening the role of the Pacific small island developing states (PSIDS) bloc to represent the island states of the Pacific at the United Nations (UN). In this regard, Fulori Manoa from the University of the South Pacific (USP) explained how Pacific Island states had successfully amplified their collective voice at the UN over the past decade, overcoming resource and personnel constraints by organising as the PSIDS. The need for regional voices to be heard on the global stage was imperative for Pacific leaders; as Beck remarked, "If you're not in the room, then someone else is in your chair and talking on your behalf".

9 See survey of relevant documents in: Joanne Wallis, *Pacific Power? Australia's Strategy in the Pacific Islands* (Melbourne: Melbourne University Press, 2017).

10 David Wroe, 'China Eyes Vanuatu Military Base in Plan with Global Ramifications', *Sydney Morning Herald*, 9 April 2018, <www.smh.com.au/politics/federal/china-eyes-vanuatu-military-base-in-plan-with-global-ramifications-20180409-p4z8j9.html>.

Other speakers cited PNG's hosting of the Asia-Pacific Economic Cooperation (APEC) summit in November 2018 as an example of Pacific Island states having a voice in larger forums. Yet, for the smaller Pacific Island states, bilateral relationships and informal spaces in subregional organisations and the Pacific Islands Development Forum, which included both government and civil society organisations, were cited as platforms through which they could exercise their agency creatively. Professor Stephanie Lawson from the ANU and Macquarie University also highlighted the potential for small island states in the Pacific Islands and Indian Ocean to work together to strengthen their negotiating power, noting that the Indian Ocean Rim Association and the Pacific Islands Forum shared similar values.

At the same time, some caution was expressed about the limitations of regionalism in the Pacific Islands. Wesley Morgan from Griffith University identified the tendency for Pacific Island states to go “forum-shopping” to achieve outcomes when traditional forums had failed to reach a consensus, which could undermine the potential of the Pacific Islands Forum to serve as the focal point for policymaking and cooperation in regional security. This was especially the case on issues such as the West Papuan independence movement. Beck also lamented that the proliferation of regional organisations—there are now nine major agencies—had contributed to the Pacific Islands becoming the “most workshopped region in the world” and cautioned that this era of renewed regional cooperation was costly and had not alleviated previous challenges to interstate diplomacy. To address these concerns, Beck made three proposals. First, the Pacific's regional architecture should be reformed to address the differing concerns of Melanesian, Polynesian and Micronesian states, as pressing issues in regional giant PNG were not necessarily the same as those in much smaller Niue. Second, the concept of equity in regional organisations should be rethought, with allocation of roles and influence weighted according to population size. Third, responsibility for ocean management and regulation should be better coordinated and targeted, instead of being spread across the Pacific Islands Forum, the Forum Fisheries Agency, USP and Pacific Community.

Several speakers saw a legitimate, but perhaps redefined, role for Australia in regional geopolitical conversations. Sargeant argued that, while Australia's strategic policy towards the Pacific Islands in the past had largely been instrumental, this approach was no longer sustainable. Instead, he argued that Australia needed to treat Pacific Island states as participants, rather than pawns, in its strategic planning in order to build a regional community based on common interests. Indeed, Steven Ratuva from the University of Canterbury commented that Australia's past references to the Pacific Islands as its ‘backyard’ reinforced negative perceptions of the region, observing that, “the backyard is where you throw all the trash; the front yard needs to be clean”. This contributed to Ratuva's concern that Canberra—and, to a lesser extent, Wellington—saw Pacific Islands' security as a “box-ticking exercise” focused on their geostrategic interests, which diverted attention away from human security concerns. Contrary to this, Ratuva argued that Pacific Island states were not “docile and passive”, but were instead exercising their agency in increasingly creative ways to play more powerful states off against each other and access benefits.

In this regard, the concept of the Blue Pacific was identified by Morgan as emblematic of the assertiveness of Pacific Island leaders in the face of geopolitical shifts and as a further step in a continuous campaign to move the narrative of Pacific states and territories away from “small, isolated and fragile” and towards recognition of a “pan-Oceanic identity”.

Sandra Tarte from the USP highlighted the “new Pacific diplomacy” being practised by Pacific Island states, which were exercising new-found assertiveness to act as more independent participants in global processes. She argued that this has positioned the region to both push back against “hegemonic security agendas” and to promote their interests through the Pacific Islands Forum’s 2018 Boe Declaration on Regional Security¹¹ and via the concept of the Blue Pacific. Picking up on this theme, Meg Keen, Director of the Australia Pacific Security College, asked what a “blue economy” in the Blue Pacific would look like, and whether the current rules-based order advocated by Australia, New Zealand, Japan and the United States helps, or hinders, its formation.

Discussion of the Blue Pacific concept reflected the emphasis in workshop discussions on the importance of non-traditional security issues in the Pacific Islands, and particularly the nexus between security and development. A number of speakers expressed concern that, by using the Indo-Pacific framing, Australia could be perceived to be primarily focused on traditional geostrategic concerns at the expense of non-traditional ones such as human and environmental security, although (see below) Ewen McDonald explicitly acknowledged non-traditional security concerns in his speech and spoke about Australia’s commitment to addressing Pacific priorities. Among others, both Beck and Balkonan argued that national security was linked to development aspirations in Pacific Island states. The touchstone of this discussion was the Boe Declaration, in which Pacific Islands Forum leaders affirmed an expanded concept of security that emphasised human and environmental security.

Former Regional Assistance Mission to Solomon Islands (RAMSI) special coordinator Tim George spoke about translating Pacific Island states’ perceptions and concerns into practical policies by working with Samoa and Vanuatu to generate national security strategies (NSS). Through consultation with government and non-government stakeholders, NSS aimed to identify threats, increase awareness and assist development partners in prioritising support. George identified border management, transnational crime, protection of EEZs (exclusive economic zones), climate change and cyber security as the top issues to emerge for Samoa and Vanuatu. Some in the audience expressed reservations about the value and necessity of NSS, questioning whether Pacific Island states had been “forced” into the NSS process; George responded that Samoa and Vanuatu had in fact requested assistance in the development of their NSS. Ratuva voiced concern about what he claimed as the “militaristic connotation” of the NSS, noting that “the Pacific doesn’t need national security; it needs wellbeing”.

A number of speakers echoed the Boe Declaration, which identified climate change as “the single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific”. Beck spoke passionately about the impact of climate change on Solomon Islands and other Pacific Island states. He observed that, for his nation, the Paris Agreement was not a symbolic gesture; the Pacific Islands were “on the front line” and the agreement was the “first and last line of defence”. In his words, when major contributors to climate change failed to meaningfully address their greenhouse gas emissions, “you basically know that people are going to die, but you allow that to happen. The science is very clear on that”. Consequently, a number of speakers expressed concerns about Australia’s

11 PIFS, *Boe Declaration on Regional Security*, Boe, Nauru, 5 September 2018, <www.forumsec.org/boe-declaration-on-regional-security/>.

commitment to meet its Paris Agreement targets. Indeed, while Australia's efforts at climate adaptation in the Pacific Islands are significant, it was noted that there has been less emphasis on climate mitigation, which is a priority in the region.

Climate change is also affecting the fisheries on which many Pacific Island states rely. Quentin Hanich from the University of Wollongong outlined issues of governance and sustainability in Pacific fisheries. Hanich noted the UN Convention on the Law of the Sea gave Pacific Island states extensive exclusive economic zones; Kiribati became the twelfth largest country in the world if its maritime territory was taken into account. The value of tuna stocks in these waters was between US\$5 and 7 billion per year, and 87 per cent of total catches were taken from waters under national jurisdiction. However, climate change might move fish stocks out of national waters, and illegal, unreported and unregulated fishing challenged the ability of Pacific Island states to get the full benefit of this resource. Although Australia did much to assist Pacific Island states to secure and manage their fisheries, Hanich recommended that it should be a stronger global advocate for sustainable fishing and related issues such as ensuring food security and responding to climate change.

Another security concern facing Pacific Island states discussed at the workshop was the intersection between security and democratic governance. Bal Kama from the ANU identified several factors affecting the integrity of Pacific Island states' democracies, particularly foreign influences, which could have an outsized effect on what he said were the Pacific's "very dynamic but weakly regulated political systems". Reflecting the emphasis on the need to address both traditional and non-traditional security challenges, Kama advised that, to secure the region, Australia should help to address the domestic security concerns of Pacific Island states.

This last point reflected attention paid to Australia's approach to the Pacific Islands during the workshop. To provide a picture of the Australian Government's approach to the region under its "step up",¹² in his keynote McDonald outlined the various tasks that were being prioritised by Australia's new Office of the Pacific. McDonald emphasised the importance of fostering people-to-people relationships, vowing to "spend as much time in the Pacific as I do in Canberra". He also identified the importance of Australia speaking with a "common, respectful and coordinated voice" about the Pacific Islands, with the whole-of-government nature of his office playing an important role in achieving this. McDonald focused on the three pillars of Australia's step-up: economic growth, people-to-people relationships and security. He noted that economic integration underpinned Australian initiatives such as the Pacific Agreement on Closer Economic Relations (PACER) Plus and the new Australian Infrastructure Financing Facility for the Pacific (AIFFP), while people-to-people links would be enhanced by funding for education, sports and community projects. McDonald noted that Australia was a signatory to the Boe Declaration and said Australia was committed to working with Pacific Island countries to address the security challenges and priorities set out in the Declaration, including climate change. McDonald also outlined Australia's efforts to enhance ocean security and to establish a Pacific Fusion Centre to aggregate and analyse security information from across the region.

12 DFAT, 'Pacific Step-up', <dfat.gov.au/geo/pacific/pages/the-pacific.aspx>.

A number of speakers identified ways in which Australia could improve or refine its approach to the Pacific Islands. Salā George Carter from the ANU highlighted the current sense of uncertainty in the region concerning the nature and intent of Australia's step-up and New Zealand's parallel "Pacific reset",¹³ particularly whether they were long-term guarantees of commitment. Carter encouraged the Australian and New Zealand governments to involve Pacific Island states in decision-making about their policies. Echoing this, Tess Newton Cain from Griffith University encouraged Australia to listen more to Pacific Islander concerns, to understand the region's cultures, and to engage its citizens in Pacific affairs through quality education and media reporting. Bergin made three recommendations for future opportunities for Australian businesses in the region: extending labour mobility opportunities for Pacific Islanders to skilled positions; inviting Pacific Islanders to partake in placements in Australian agencies; and bolstering existing volunteer schemes to enable young Australians to gain work experience in the region, particularly in the medical sector.

While much of the discussion focused on Australia's approach to the Pacific Islands, speakers also considered some of the region's major external partners. David Envall from the ANU observed that Japan had been a "slow and steady" donor and partner to the region, but that it was now attempting to redefine its role to align with its vision of a "Free and Open" Indo-Pacific centred on maintaining a "rule-based" order, including freedom of navigation. Envall argued that it was important for Japan to be seen as a strong proponent of the US' Indo-Pacific strategy in order to dissuade US President Donald Trump from the possibility of strategically abandoning Tokyo.

Denise Fisher from the ANU addressed France's experience in the Pacific Islands as an example of the capacity of the island states to influence, and eventually change, policies they view as antipathetic, even those of a major power. She noted that France now characterised itself as being "internal", rather than "external", to the region, on the basis of its sovereignty over Clipperton Island, Wallis and Futuna, French Polynesia, and New Caledonia, with the latter two now members of the Pacific Islands Forum. While this signalled that France had been rebuilding its relations in the region, Fisher noted that recent elections and future referenda pointed to a "bumpy few years" ahead in New Caledonia, against a more complex geostrategic regional context, particularly since France had instrumentalised its Indo-Pacific vision and specific anti-Chinese rhetoric in the lead-up to the 2018 independence referendum in order to dissuade pro-independence voters. To minimise prospects of future tension, Fisher concluded that "any ongoing role for France in the region must be on the terms of Island states".

The nature of China's changing and growing presence in the Pacific Islands was a focal point for the duration of the workshop. Graeme Smith and Denghua Zhang, both from the ANU, dissected the details of Beijing's recent activity. Zhang argued that even though the Pacific Islands were far from the top of China's agenda, the number of high-level bilateral visits between Chinese and Pacific leaders now dwarfed those between the region and India and Japan. Smith described the changing nature of China's infrastructure investment in PNG, noting that improvements in quality were enhancing the reputation of Chinese companies.

13 Winston Peters, "'Shifting the Dial', Eyes Wide Open, Pacific Reset', speech to the Lowy Institute, Sydney, 1 March 2018, <www.loyyinstitute.org/publications/winston-peters-new-zealand-pacific>.

Overall, the workshop demonstrated that there are two dominant perspectives in debates about the changing geopolitics of the Pacific Islands. The first is generally expressed by strategic thinkers and is concerned that a potentially hostile China could establish a strategic foothold in the Pacific islands from which to threaten Australia. Even if the risk of such a development was assessed as low (and the relative absence of publicly available information makes this calculation an uncertain one), its strategic consequences for Australia would be such that pre-emptive action by Australia is unavoidable. The second is characterised by scepticism about what China's presence in the Pacific Islands means for Australia and Pacific Island states and criticism of what is characterised as Australia's increasingly securitised approach to its relations with the region. This perspective emphasises the autonomy and agency of Pacific Island states when dealing with China and other external powers, as well as their desire to be "friends to all".¹⁴ Yet, as Rory Medcalf from the ANU cautioned, the strategic dynamics of the broader Indo-Pacific might be unavoidable for Pacific Island states.

An exchange between O'Keefe and Bergin crystallised these differing perspectives. When O'Keefe argued that Australia's step-up had a "distinctly khaki tinge", Bergin countered that characterising Australia's actions as supporting a "militarisation" agenda in the Pacific Islands was a misrepresentation, because even its defence-related initiatives primarily supported Pacific Island states' own security priorities. For example, Bergin argued that the proposed Pacific Fusion Centre would contribute to maritime safety, not military intelligence; the Australia Pacific Security College would focus on Pacific Island countries' priorities such as transnational and human security; and the Lombrum Naval Base would primarily support PNG's maritime resource protection capabilities using the new Australian-donated Guardian class patrol boats.

Bergin's point highlighted the influence of framing in discussions about the changing geopolitics of the Pacific Islands and Australia's responses. For example, while Australia's step up in the region is supporting human security initiatives, this is not always the rationale foregrounded by the Australian Government or, particularly, Australian media. This demonstrates the difficulty of untangling what Sargeant described as "the divergent discourses of defence and human security" when discussing the region. Yet while the workshop exemplified some of the apparent divisions in debates about the changing geopolitics of the Pacific Islands, it hinted that there was more shared understanding between these perspectives than is at first apparent. No participant at the workshop denied the emerging strategic and geopolitical realities facing both Australia and the Pacific Islands, although some were more sceptical than others. And participants broadly agreed that Australia should do more to listen to, and respond to, the interests of Pacific Island states.

There were some gaps in the workshop discussion that warrant further analysis. In his keynote, Beck questioned the extent to which Pacific Island states all share the same security interests and perceptions, and whether (over)use of the collective expression 'the Pacific Islands' might pay insufficient respect to individual Pacific countries' interests and concerns, and might indeed mask tensions between regional and bilateral approaches to managing their security interests. The status of Indonesia in the Pacific Islands,

14 Taylor, 'Keynote Address'.

which Tarte described as an “elephant in the room” due to its uncertain but potentially highly influential role within Melanesian polities, also requires further consideration, as do the potential roles of India and the United Kingdom, which are both seeking to enhance their role in the region.

All participants were invited to submit pieces for this special issue in which they developed the ideas they had discussed at the workshop. The resulting special issue reflects the submissions received. It begins with transcripts of Beck and McDonald’s keynote speeches, followed by three commentaries by Sargeant, Newton Cain and Fisher, and articles by Morgan, Envall, Zhang and O’Keefe. The workshop represented an important opportunity for the changing geopolitics of the Pacific Islands to be discussed by Australians, New Zealanders and Pacific Islanders. But it by no means provided the last word on this issue. As Beck observed in his concluding remarks at the workshop, the Pacific Islands “can’t divorce” Australia and New Zealand, as they are permanent neighbours, “connected at the hip by geography”.

Acknowledgements

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Geopolitics of the Pacific Islands: How Should the Pacific Islands States Advance Their Strategic and Security Interests?

Keynote speech by Collin Beck, Permanent
Secretary, Solomon Islands Ministry of Foreign
Affairs and External Trade, Australian National
University, Canberra, 7 June 2019

Let me acknowledge the Ngunnawal traditional leaders, past, present and future on whose ancestral land we hold this gathering, to them we pay our respect. I thank the Australian National University (ANU) for giving me the space and support to say something on the Pacific's aspirations to free our people from want and fear and to live in dignity from an international relations perspective.

The timeliness of the workshop is impeccable; foreign policies are being reviewed in the region, a number of Pacific countries are now measuring and weighing their relations guided by their national interests. All this is being done at a time when Australia, under its 2017 Foreign Policy White Paper,¹ is testing out new ideas about strengthening both regional cooperation and integration. Australian outreach to the Pacific has increased. Pacific leaders' visits to Australia and visits by the Australian Prime Minister to the islands have reached new heights. This speaks of Australia's step up in its relations with the Pacific.

With the growing challenges of the Pacific, time is of the essence to meaningfully translate the priorities of the region into action. The youth bulge in the region is a concern. In the case of Solomon Islands, 18,000 youths annually seek jobs, with only 3,000 to 4,000 securing jobs. The fertility of Solomon Islanders is so intense that we have a fast-rising population against declining natural resources; the economy is not keeping pace with the development needs of the region. With the onslaught of climate change, this is creating pockets of poverty and reversing development gains. New health issues and biosecurity threats are now the new normal in the region. We cannot afford to miscalculate our actions going forward; we are probably the last generation able to get it right and we are duty bound to leave a sustainable future for the next generation.

¹ Department of Foreign Affairs and Trade, *2017 Foreign Policy White Paper* (Canberra: Australian Government, 2017).

As we navigate the Pacific geopolitical landscape today and tomorrow, unpacking and analysing the dynamics and challenges faced by the region, we should do so by asking three basic questions: the “Where”, the “What”, and the “How”. Where is the Pacific in this fast-changing international system? What are the challenges? What does the Pacific need to do to guarantee their people a sustainable future? And finally, the “how” question? How can we unlock and translate the region’s priorities into action with finance, technology and capacity building delivered through country transformative partnerships that will prepare our people to face what is to come?

I am indeed humbled to be amongst friends of the Pacific, all with a wealth of knowledge and interest in the region. I hope this workshop will breathe in old regional problems, and breathe out new solutions. The region needs new thinking about managing its affairs. I also hope the discussion emanating from this workshop will provide a sense of direction for the region to consider as signposts to identify what needs to change to open more doors of opportunities and prosperity. This is possible through honest, open and frank interactive discussions in this workshop.

Changing International System

The shift in the international system with the rise of new emerging powers and the decline of traditional powers has globally redefined engagements in the Pacific. Looking back into history, the United States withdrew from the Pacific soon after the Cold War ended. The United States closed its embassy in Solomon Islands back in 1992, withdrew Peace Corps volunteers, closed the USAID office, and for decades managed its relations with the Pacific from Port Moresby and Suva.

Australia and the Pacific

Australia, in particular, and New Zealand have been left to fill the vacuum created by the United States. Past Australian foreign policy has viewed the Pacific through a security lens, viewing surrounding countries as the “arc of instability”.² The Bougainville conflict from 1988 to 2001, Solomon Islands’ ethnic conflict from 1998 to 2000, and the various coups in Fiji, aided this perception. In other words, Australia looked to Asia to do business and to the Pacific for stability. Australia has successfully managed its international relations globally, enjoying stable economic growth over the last 28 years.

Australian Foreign Policy

Australia’s 2017 Foreign Policy White Paper takes a fresh look at the Pacific; it speaks of Australia’s global interest in having a stable and prosperous Indo-Pacific region, preventing any coercive external influence, not allowing any countries within its neighbourhood to fail, and having strong constructive ties with China, all operating within a “rules-based international order”.³

2 Paul Dibb, David D. Hale and Peter Prince, ‘Asia’s Insecurity’, *Survival*, vol. 41, no. 3 (1999), pp. 5-20.

3 Department of Foreign Affairs and Trade, *2017 Foreign Policy White Paper*, p. 6.

Regional Cooperation

As we enter the new century, a proliferation of regional organisations has emerged in the Pacific. Regional cooperation outputs have been mixed. Conflict in Solomon Islands has brought forth the best of Pacific diplomacy, the creme de la creme of island solidarity, and the finest regional cooperation emerging with a model of peacekeeping, peacebuilding and peacemaking all rolled into one: the Regional Assistance Mission to Solomon Islands. Regional cooperation is only successful when it is country focused. Important lessons have been learnt in dealing with Fiji when the Pacific Islands Forum suspended Fiji's membership, and a new regional institution emerged out of the isolation, the Pacific Islands Development Forum.

China

New geopolitical lines have been drawn with the rise of China; Australia has adopted a "step-up" Pacific policy⁴ and New Zealand has pressed the "Pacific reset" button.⁵ The United States is also re-engaging and considering re-establishing a stronger country presence in the region, a welcome gesture. The frequency of Solomon Islands/US meetings has increased this year. Solomon Islands leaders have been meeting Washington-based representatives from both the State Department and the White House and working on extending the Millennium Challenge Corporation Threshold Programme. Pacific leaders from the Northern Pacific met with US President Donald Trump recently.

Pacific Characteristics

The Pacific has responded, looked within themselves, and formed the Pacific Small Islands Developing States (PSIDS) grouping to champion their collective interests globally. Pacific Island countries have been voting as a bloc, organising themselves to take on global responsibilities, placing PSIDS candidates in selected international positions, and actively participating in global negotiations.

Pacific Island countries have done so by managing their internal dynamics. As the characteristics of the region are so diverse and deep, Islanders know what works and what does not work. Countries of the Pacific are mindful that the outcomes of regional gatherings from climate change to political issues are not necessarily ambitious and based on their internal negotiations.

PSIDS was formed to take stronger and more ambitious positions in global negotiations and to fill in regional gaps. For example, sending Pacific students to Cuba for medical training, as quotas provided in regional institutions are insufficient to meet their respective health challenges. In the case of Solomon Islands, 78 medical students have graduated and almost all are now registered as doctors.

4 Scott Morrison, 'Australia and the Pacific: A New Chapter', Speech, Lavarack Barracks, Townsville, 8 November 2018, <www.pm.gov.au/media/address-australia-and-pacific-new-chapter> [Accessed 19 June 2019].

5 Winston Peters, "'Shifting the Dial", Eyes Wide Open, Pacific Reset', speech, Lowy Institute for International Affairs, Sydney, 1 March 2018, <www.lowyinstitute.org/publications/winston-peters-new-zealand-pacific> [Accessed 19 June 2019].

Having said this, the journey of each and every Pacific Island country is not the same within the international system.

All have varying perspectives shaped by their different development status. Four Pacific countries are classified as least developed countries. Twelve of the eighteen Pacific Islands Forum members are members of the United Nations and belong to the Asia and Pacific Regional Group at UN level. Three other members of the Forum, Australia, New Zealand and France (via French Polynesia and New Caledonia) belong to the Western Europe and Other States Regional Group. Two members of the Forum are on the UN decolonisation list, French Polynesia and New Caledonia. Six Pacific countries have relations with the Republic of China (ROC), and the rest with People's Republic of China (PRC). The ROC-PRC question emerges annually at the post-Forum dialogue meeting, depending on who is hosting the Forum; the venues for ROC and PRC meetings are not necessarily at the same location.

The level of integration also differs amongst PSIDS: Northern Pacific Island countries are integrated with the United States, while Cook Islands and Niue in the south are politically associated with New Zealand. Samoa, Tonga and Fiji have huge diasporas in New Zealand, Australia and the United States.

Regional Cooperation

Nine regional organisations serve the Pacific, making the Pacific one of the most workshopped, heavily consultant-driven regions in the world. All nine organisations competing for attention and resources comes at a huge cost to Pacific countries. We are talking about nine layers of bureaucracy, nine photocopy machines all serving the same Pacific member states. The regional architecture needs to be reformed, and a sub-regional approach may be an option. I am saying this mindful that more than 90 per cent of the Pacific population are located in four Melanesian countries. The smallest member of the Pacific Island Forum, Niue, has a population of 1,600, and the largest member, Papua New Guinea, of more than 8 million. Regional projects emerging from regional institutions are usually too small for larger Pacific countries.

The concept of equity needs to be redefined and the allocation of quotas needs to be proportionate to the population of member states. The Pacific Islands Forum has a classification of 'Small Islands States' but that's about it. Least-developed countries are basically orphans in the region.

Despite Pacific countries being large ocean states and all regional organisations doing something on the ocean, nothing being done is deep enough to make an impact. The ocean is being dealt with in silos and on a piecemeal basis; it is all over the place: the Pacific Ocean Commissioner is the Secretary General of the Pacific Islands Forum; the Secretariat of the Pacific Regional Environment Programme does some assessment of the health of the ocean; the Forum Fisheries Agencies monitors fisheries; the Secretariat of the Pacific Community does work on coastal management and research; and the University of the South Pacific provides education. Investment on extending Pacific sovereignty in terms of supporting Pacific countries' continental shelf claims had to be sought outside of the region. The coastal waters of most of the Pacific countries are not mapped. Pooling of resources to carry out such a task should be the new thinking, to integrate more people

into the mainstream economy. Tourist boats cannot visit provinces which usually make up 80 per cent of our population in the case of Solomon Islands. Matters relating to the ocean should be housed under one roof.

The Pacific Islands, including Solomon Islands, have almost 28,000 square kilometres of exclusive economic zones under the *United Nations Convention on the Law of the Sea*. Solomon Islands has a Ministry of Lands, but no Ministry of Ocean. I am pleased to say things are changing nationally. My Ministry now is coordinating all ocean matters of Solomon Islands with twelve other line Ministries. Our vision is to have one national ocean authority going into the future.

We oversold the concept of regionalism, so much so that we have given a free pass to many potential partners who are now avoiding conducting genuine dialogue and cooperation with member states over their regional contribution. During my brief time with my Ministry, I have seen a number of non-resident Ambassadors here in Canberra visiting my capital and spending more time speaking with foreign missions in Honiara than with state institutions. Other partners from the United Nations to the European Union (EU) are all moving out from member states and managing relations from Suva. The EU made the shift out of Honiara last year.

Climate Change

In navigating the sea of change in the Pacific, the *Paris Agreement*, the Sustainable Development Goals and the *Addis Ababa Action Agenda* of the Third International Conference on Financing for Development, all adopted in 2015, are important. All these frameworks are the region's first and last line of defence in guaranteeing their survival.

These frameworks call for global change in the way we do business if we are to avoid having runaway climate change reach the point of no return. This is the Pacific's worst fear, as we are located in the world's climate hot spot, where the impact of climate change is three times the global average. The window is fast closing, ocean acidification has passed safe limits of 350 ppm to now reach 402 ppm in less than ten years. At 550 ppm coral begins to dissolve. Fishing grounds are slowly shifting as the sea becomes warmer. The tourism industry is under threat. Food and water security is now creating pockets of poverty, from fighting a warm war that could easily turn into a hot war as land fertility of relocated populations reduces with population stress and natural disasters. This makes climate change a threat multiplier which is beyond the capacity of countries and the region to tackle.

Sadly, commitments made under the Paris Agreement are so low that we are heading to a 3.7 to 4 degrees increase in global temperatures; a death sentence for the Pacific. The future of the world rests on global cooperation and everyone doing their fair share. If we do not step up on our commitment by 2020, the *Paris Agreement* is dead. The Pacific as we know it may not be saved, humanity is being threatened; we have this one planet and there is no plan B. Cooperation in the Pacific should focus more on mitigation, including on renewable energy, re-forestry and agriculture.

The new frameworks referred to above call for a new political relationship, a new form of partnership and transformative cooperative arrangements. Two goals must be our target in cooperation with Australia.

First, countries in the region need to own their economies, creating homegrown private sectors, to put all Pacific countries on an upper middle-income pathway.

Second, new partnerships have to be big and people-centred and reach out into rural areas. There needs to be a shift from focusing on governance and policies to the core interest of the countries to have a better quality of lives for their people. Infrastructure and renewable energy, in particular, should be placed high on the agenda.

In the case of Solomon Islands, only 20 per cent of the population are connected to the electricity grid. More hydropower generators need to be built; this will allow people to store their traditional crops and shift from slash-and-burn agriculture to commercial agriculture and fish farming. This will help to prepare our people to respond to ocean acidification that will wipe out their livelihood under current trends. Today's Pacific policies must be driven by what science is telling us.

Given the impact of climate change, security as defined by the Pacific Islands covers non-traditional security issues, including food, water and energy security. Building Pacific resilience means unlocking the permanent interests of the region, including economic empowerment, infrastructure, renewable energy and agriculture, more homegrown investments, fisheries and tourism.

Energy alone accounts for a third of many Pacific Island countries' budgets. Doing more on renewable energy frees up domestic funds to develop clean economies. Thinking big must be the new approach, shifting from community-based interventions to national projects. The Coral Sea Cable System and the recent announcement by Australia on A\$250 million of infrastructure development in Solomon Islands are examples of the transformative partnerships we are seeking that will shift our populations from slash-and-burn to commercial agriculture. Other examples include acting on the *Pacific Agreement on Closer Economic Relations (PACER) Plus* with a sense of purpose, putting in place hot-air treatment facilities, fumigation, laboratories and biosecurity mechanisms to help Pacific countries engage in trade. Trade liberalisation also means discussing the question of having in place reciprocal visa arrangements.

Labour mobility remains a priority for Pacific Islands countries. Enhancing that by having Pacific national universities receive Australian university accreditation would help labour mobility, especially for semi-skilled and skilled opportunities. Each year there are 100 nurses trained in Solomon Islands, but only 20 getting jobs nationally; more of our unemployed nurses should be given a path to enter the Australian labour market.

We must learn from the failure of Millennium Development Goals, which were primarily aimed at social outcomes, as compared to the Sustainable Development Goals, which embrace economic, social and environmental pillars. Building a highway of partnership, Pacific countries in recent years have been establishing new relations in an attempt to broaden their cooperation to compliment the dedicated support given by Australia.

Let me wish the workshop every success, May King Solomon's wisdom be with us in our deliberation. God bless the Pacific, God bless Australia.

Realising the Pacific's Vision for Stability, Security and Prosperity

Keynote speech by Ewen McDonald, Head of the Office of the Pacific, Department of Foreign Affairs and Trade Australian National University, 7 June 2019

Let me begin by acknowledging the traditional custodians of the land on which we meet today—the Ngunnawal people, and by paying my respects to their elders past, present and emerging, and extend that respect to other Aboriginal and Torres Strait Islander people here this morning.

It is a great pleasure to present to the Australian National University and its College of Asia and the Pacific.

The College plays an important role in steeping our next generation of foreign policy practitioners in the rich history, challenges and opportunities that face our region.

My thanks to College Dean Michael Wesley for convening this week's Workshop.

I also want to particularly thank my former colleague James Batley—who I worked very closely with over a long period, and it was one of the most enjoyable parts of my career. Not only because of James' great sense of humour, but also his expertise and knowledge in the Pacific, and excellent judgment on key issues.

It's a great pleasure to come along on his invitation—James actually invited me before I started this role. This was my first commitment, and I was keen to honour the invitation.

Our close engagement with the Pacific of course stretches back many decades.

I've just returned from a terrific visit to Solomon Islands and Fiji.

I accompanied the Prime Minister and the Minister for International Development and the Pacific—Alex Hawke—during their fruitful discussions with Prime Minister Sogavare and other Ministers, and then the Foreign Minister in her meetings in Fiji with Prime Minister Bainimarama and other Ministers including the Attorney-General.

Of particular significance, these international visits—the first by both the Prime Minister and the Foreign Minister in this new term, and less than a week after the Cabinet was sworn in—demonstrate the government's and our Prime Minister's commitment to the Pacific.

As our Prime Minister would say, if you're going to step-up, you show up.

As I'm sure you are aware, the Prime Minister will attend the PIF in a few months in Tuvalu.

I'm sure that the ANU and those here today share a similar commitment to our region.

With that commitment comes a substantial breadth of knowledge, so I won't cover what has already been discussed on the region's opportunities and challenges.

I do however want to emphasise that what is happening today—the step-up—builds on a strong history of genuine partnership.

A History of Genuine Partnership

Through decades of sustained engagement, Australia and the Pacific have forged a special and close relationship.

Whether it's the Regional Assistance Mission to Solomon Islands; our enduring support for Pacific nations to host free and fair elections; responding to the devastation of cyclones or developing disaster resilience capabilities—Australia has been there.

We are a founding member and active participant in a range of key regional organisations, including the Pacific Community, established in 1947 as the South Pacific Commission; the Pacific Islands Forum, established in 1971 where we are a major funder; and its Forum Fisheries Agency, established in 1979.

We've been at the heart of the region's trade and economic architecture, setting up regional Agreements like SPARTECA in 1980—the South Pacific Regional Trade and Economic Co-operation Agreement—providing duty free access to Australia and New Zealand for regional products, and PACER in 2002—the Pacific Agreement on Closer Economic Relations.

This represents a fairly solid foundation.

Building on Australia's consistent track record as the region's largest development partner, Australia's Pacific Step-Up was announced by then Prime Minister Turnbull in 2016.

Our 2017 Foreign Policy White Paper then pledged that Australia would engage in the region with even more intensity and ambition.

And in November last year, Prime Minister Morrison committed to further step-up our engagement in the Pacific.

This was reinforced by the 2019-20 Federal Budget, which will deliver \$1.4 billion in development assistance to the Pacific over the next financial year.

This is a record spend in the region.

The Next Chapter of Australia's Engagement

The Pacific Step-Up is a commitment to ensure our region is front and centre in our outlook.

To achieve this, **how** we as a government work can be as important as **what** we do. And an important element of the Office that I head is just that—**how** we work with the Pacific.

At the Prime Minister's direction, we have set up a new Office of the Pacific within DFAT to drive implementation of our regional activities, consistent with regional and country priorities.

The Office now includes staff from the Department of Foreign Affairs and Trade, alongside secondees and transfers from the Departments of Defence, Home Affairs, Environment, Finance, Treasury, AFP, Agriculture & Water Resources, Attorney-General's and Health, as well as from the Infrastructure and Project Finance Agency and the Australian Maritime Safety Authority—with more to join.

This is because the Prime Minister is convinced—and I agree with him—that to truly step-up in the region, we must speak with a common, respectful and coordinated voice across government.

Building those relationships and strengthening coordination across government is at least half of my job.

The other half is about listening to, engaging with and involving Pacific countries in the design, implementation and monitoring of our new programs.

In my role as the Head of the Office of the Pacific, I'll be spending as much time in the Pacific as in Canberra—listening, collaborating, and making sure that our collective effort is hitting the mark.

I've already travelled to the region with our Prime Minister, Foreign Minister, former Assistant Minister for International Development and the Pacific and current Minister for International Development and the Pacific—and that's just in the first half of this year.

I also travelled with New Zealand Deputy Prime Minister Winston Peters to Fiji, Tuvalu and Kiribati. In fact, at a quick count in the last months I have visited Vanuatu three times, Tuvalu three times, and Fiji four times!

And I have to say, the response from counterparts of mine in the Pacific to our increased Step Up has been very positive and enthusiastic.

My role of course also includes consulting widely with experts such as yourselves, both in Australia and across the Pacific—we recognise that we do not have all the answers, and value the opportunity to learn from your collective expertise, creativity and knowledge.

The Step Up is an ambitious task—as well as the headline initiatives announced last year, it encompasses a new way of working across the breadth of our bilateral and development programs.

This is driven by a recognition that we need to do more to help our Pacific partners develop and thrive, and to ensure our region is stable, secure and prosperous.

I won't be able to outline all the aspects of our work across the Pacific, so let me just touch on some of the ways we are working to deliver on Pacific priorities.

Late last year Australia joined our Pacific partners in signing the Boe Declaration on Regional Security.

Through an expanded concept of security—encompassing elements of both environmental and human security—the Boe Declaration clearly articulates many of the challenges facing our region, from climate change to cyber security.

The government is committed to working in partnership with our region to address them.

Of course a stable and resilient security environment provides a platform to achieve the region's sustainable development aspirations.

These aspirations—and challenges—are of course not uniform across the Pacific.

Each Pacific Island country is unique, and the region's diversity is one of its great strengths.

This is why we work both bilaterally and regionally to address the specific needs and priorities of each Pacific nation.

Let me turn now to some specific examples.

The Boe Declaration recognised climate change as the single greatest threat to the livelihoods, security and wellbeing of Pacific peoples.

Australia will continue to act as a steadfast partner in improving environmental security across the region.

In careful consultation with our Pacific partners, we will deliver on our \$300 million four-year regional assistance package to build climate and disaster resilience.

We are rolling out a new \$16 million package to address marine litter in our vast Pacific Ocean.

We also recognise the integrity and importance of Pacific Island leadership, which has been instrumental in increased global ambition to address climate change.

We will work with our regional partners on Pacific-led climate initiatives, including through the Pacific Resilience Partnership—a regional coordination mechanism for resilient development.

Australia supports the Partnership both financially and as an active member.

Australia will also continue to mainstream climate and disaster resilience in our regional aid investments, including through our new Australian Infrastructure Financing Facility for the Pacific (AIFFP).

With an estimated US\$40 billion in infrastructure investment needed over the next decade, debt financing has an important role to play in unlocking infrastructure support for the region's environmental and economic aspirations.

Australia is committed to sustainable, principles-based infrastructure investment that upholds robust standards, avoids unsustainable debt burdens and targets the needs of nations of the region—as identified by them—and unlocks the potential of private sector investment in the region.

The Facility will apply a careful balance of grant and loan funding, and look to promote climate resilient, sustainable, inclusive and private sector-led economic development.

We are looking forward to the Facility commencing next month.

We are also supporting our Pacific family to prepare for and respond to whatever natural disasters might come their way.

For example, when Cyclone Gita hit Tonga in February 2018, Australia responded immediately.

We deployed 135 tonnes of prepositioned humanitarian supplies.

We worked to get Tonga's electricity network online within six weeks.

Yet Australia doesn't just respond to natural disasters as they happen—we have also worked with the region for many years now to help them prepare for natural disasters.

Developing these capabilities in advance of Cyclone Gita allowed us to work with Tonga to enable Tongan people and their economy to get back on its feet as quickly and effectively as possible.

Looking beyond disaster preparedness and management—most of you will probably know that tomorrow is World Oceans Day.

Pacific Island nations manage 20 per cent of the world's oceans.

In my travels I regularly hear of the critical role ocean security plays in regional prosperity and development.

Through our Pacific Maritime Boundaries Project, we have long worked to assist Pacific nations secure their maritime boundaries by securing their rightful Exclusive Economic Zones.

And implementing additional programs to help our regional partners tackle illegal, unreported and unregulated (IUU) fishing in these zones, including coordinated engagement under Australia's \$2 billion Pacific Maritime Security Program.

Access fees paid by foreign fishing vessels to Pacific Island countries amount to around US\$350 million each year, but could be as much as 40 per cent higher if IUU fishing were eliminated, according to one estimate.

Our community-based Fisheries Management program is working with regional organisations, national fisheries agencies and communities in Kiribati, Solomon Islands and Vanuatu to develop capacity to manage coastal fisheries sustainably and share learnings across the region.

We are also developing ways of supporting the region to undertake the kind of security analysis critical to realising the Boe Declaration.

For example, in close consultation with the region, we are establishing the Pacific Fusion Centre.

The Pacific Fusion Centre will work with Pacific Island countries and regional organisations to aggregate and analyse security information, and inform responses to security challenges across the region.

The Centre will also include analysts from the region—and be a great way for these analysts to gain increased experience.

I said at the beginning that I would not rehearse familiar territory around the region's challenges—but there is one challenge that I really do want to emphasise, and that is the issue of regional gender inequality.

The 2017 Foreign Policy White Paper recognised that severe gender inequality is a persistent challenge in the Pacific, and undermines security.

Our Foreign Minister will now also act as Australia's Minister for Women.

When travelling with Minister Payne in Fiji earlier this week, we visited the House of Sarah.

Funded through our flagship 'Pacific Women Shaping Pacific Development' program, the House of Sarah offers counselling support to survivors of violence and promotes greater awareness of gender inequality.

This and other initiatives such as Fiji's Women's Crisis Centre demonstrate a true commitment to addressing gender equality issues.

It is no surprise that Fiji has become one of the highest-performing Pacific Island countries in terms of women's political representation.

Let me now turn to economic prosperity.

At a time when uncertainty permeates the global economy, we are also committed to better integrating Australian and Pacific Island economies.

This will improve regional prosperity.

The Pacific Agreement on Closer Economic Relations Plus—or PACER Plus trade and development agreement—will be the first reciprocal regional trade agreement in the Pacific, and is expected to enter into force in late 2019.

The agreement will open up new markets and opportunities for Australian and Pacific businesses.

Another strong new initiative is additional funding for EFIC—Australia's export financing agency.

Efic have an extra \$1 billion in callable capital, as well as a more flexible infrastructure financing power.

Alongside the Australian Infrastructure Financing Facility for the Pacific, this will also encourage Australian businesses to engage and invest in the region.

We have also expanded our Pacific Labour Scheme to all key Pacific Island nations, and I know from my extensive travel in the region this year there is huge interest in this initiative.

The Scheme started in November 2018—already thirty-eight Australian employers have signed on, with numbers growing fast.

The scheme gives Pacific populations the opportunity to work in Australia for up to three years, in a range of low or semi-skilled professions.

This builds on the success of our Seasonal Worker Program, which generated over \$144 million in net income gains to Pacific Island countries between 2012 and 2017.

During a recent visit to Tuvalu, I gained a direct appreciation for the value of experience that Australia's fishing industry provides for the fisheries sector in Tuvalu.

Let me turn to the work we are doing to strengthen people-to-people links.

We are also committed to building closer people-to-people ties between Australia and the Pacific, including through our education partnerships.

For example, earlier this year I had the chance to visit Taaken Bairiki primary school in South Tarawa, Kiribati.

Australian funding has helped to ensure that the school has been finished to a high standard.

During recent talks with the Kiribati Government, a senior official told us what a difference in morale and ambition the school brought to the community.

Beyond this initiative, Australia will continue to deepen our educational partnerships across the Pacific through enhanced school linkages programs and expanded secondary and vocational scholarship opportunities.

As you will know, sport is also a major connection between Australia and the Pacific—we are friends on and off the field.

In Fiji this week I was very much reminded about the victory—the country was certainly on a high after that.

We are working to deepen this common passion, and support sport in the Pacific at both the grassroots and elite levels.

Just last week in Solomon Islands, Prime Minister Morrison announced further funding for the 'Get into Rugby' Plus Program, which will facilitate better grassroots access for women and young girls and boys.

Prime Minister Morrison also committed to provide Australian training opportunities for a number of Solomon Islands athletes to prepare for the 2023 Solomon Islands-hosted Pacific Games.

Foreign Minister Payne also announced in Fiji this week that Australia would establish an elite sports training initiative to assist Fiji athletes prepare for major international events.

We would love to see Fiji's Rugby Sevens' success repeated across sports and across communities.

The Pacific Has Become More Crowded

These are a small number of examples of our efforts to achieve the Pacific's vision for a region of peace, harmony, security, social inclusion and prosperity.

But to achieve this vision, we must overcome the Pacific's wide-ranging and steep development challenges.

No one country can meet these challenges alone.

This is why we are committed to promoting Pacific regionalism and working with outside partners to support the region's interests.

It is therefore good news that Australia is not the only country stepping up in the Pacific.

It makes sense for Pacific countries to cooperate with a range of development partners.

New Zealand has launched their own 'Pacific Reset'—which I know very well from my former role.

As members of the Pacific family, Australia and New Zealand share a vision for a stable, secure and prosperous region, and we are pleased to coordinate with them.

New Zealand Deputy Prime Minister Winston Peters invited me to join him on their cross-party visits to Polynesia and Melanesia this year as a demonstration of our close cooperation.

Beyond New Zealand, the US and Japan, as well as France, the UK, China and Indonesia are all active partners in the region.

Our work in Papua New Guinea is an illustration of how we engage with these partners to address Pacific priorities.

You will recall the partnership between Australia, the United States, Japan, New Zealand and of course Papua New Guinea to connect 70 per cent of Papua New Guinea to electricity by 2030.

Only about 13 per cent of the country's population has reliable access to electricity.

We are also working with China to tackle malaria in Papua New Guinea.

This complements our broader efforts to improve health security, including by reducing tuberculosis outbreaks in the country's Western Province.

Changing Geopolitics of the Pacific Islands

In concluding, let me return now to the theme for this workshop, 'the changing geopolitics of the Pacific Islands'.

Australia remains focused on stepping-up our efforts to deliver on our Pacific region's genuine needs.

Our efforts are driven by the very real and unique needs facing our region.

As I travel around the region, I hear an overwhelming message of pride from Pacific countries in their sovereignty and a determination to set their own priorities and realise their own ambitions.

Having the UN Secretary General visit the region was a fantastic thing—because until you actually see the Pacific it is hard to get a feel for some of the region's challenges.

The UN Secretary General went to Tuvalu, Vanuatu and Fiji, and of course spent time in a Pacific Islands Forum meeting.

As I said—there is a real determination in Pacific Island countries to set their own priorities and realise their own ambitions.

This sentiment is captured in the Boe Declaration—which respects and asserts the right of every Pacific Islands Forum member to conduct its national affairs free of external interference and coercion.

This is why our Step-Up is taking place in consultation with our Pacific partners, in response to Pacific priorities and with the long-term interests of our Pacific family as our guiding principles.

We will continue to provide sovereign Pacific nations with genuine choices in achieving their priorities, from security—in all its many forms—to development, economic prosperity and of course strong people-to-people ties.

We always have engaged—and always will engage—in the Pacific because we are part of the Pacific, and with the best interests of our region at heart.

Thank you very much.

The Pacific Islands in the 'Indo-Pacific'

Brendan Sargeant

How do the Pacific Islands fit into Australia's region of strategic interest, the Indo-Pacific?

Perhaps a good starting point for this question is to reflect a little on the emergence of the Indo-Pacific as an idea in Australian defence and strategic policy. It is an idea still in formation and the reality of the Pacific Islands draws attention to the need for it to evolve further. The Indo-Pacific is as much a policy construct as it is a geographical reality, so how it evolves further will in part depend on how policy and academic communities build and use the idea.

What is the Indo-Pacific?

There are many versions of the Indo-Pacific. Where the Indo-Pacific begins and ends, and what it looks like, depends partly on perspective. It is a term that has quite subtle but different shades of meaning depending on particular national or policy perspectives. It is not, for example, a term welcomed by China.

It is possible to argue that the Indo-Pacific, considered as a strategic environment, embodies economic forces that are driving integration. This makes it useful to consider it as an emerging and coherent strategic system. But a countervailing reality is that the political dynamics that structure the Indo-Pacific are volatile and not necessarily convergent. The nature of the overarching strategic order is being contested, particularly through the current US-China strategic competition. The development of an Indo-Pacific order that supports Australia's national interests is the most important strategic challenge facing Australia.

Subsystems in the Indo-Pacific

Considering the Indo-Pacific as a whole, we can identify a number of different subsystems. From a policy perspective, those subsystems have a set of problems and concerns that, while relevant to the Indo-Pacific as a whole, have a particular regional focus.

In some areas these problems amount to a slow-moving crisis. Subsystems include:

- the north-east part of the Indian Ocean and its littoral states;
- the very complex North Asian strategic system, of which the current central challenges are North Korea and Taiwan;
- the Southeast Asian strategic system, of which a focus of attention and activity is disputed territory in the South China Sea; and
- the arc of Pacific Islands stretching from Papua New Guinea around to New Zealand.

Each of these subsystems has its own dynamics and particular challenges. But each part fits within and contributes to a larger whole. The challenge for policymakers is deciding what this whole should become in the future. The current political struggle that plays out across the Indo-Pacific is the search for a future, stable strategic order. The Pacific Islands are part of that struggle, which is why the question of how they fit in the Indo-Pacific is important and urgent.

The 2013 Defence White Paper

The 2013 Defence White Paper was the first Defence document to use the term Indo-Pacific.¹ This White Paper was the work of many people, but I had a role in its development as principal author and was involved in many of the debates concerning its framing of Australia's strategic environment. At the time, there was an internal debate about whether the Indo-Pacific was appropriate as a way of framing Australia's strategic environment. This debate was heightened by the reality that this framing painted quite a different picture of the region to that which was presented in the 2009 Defence White Paper, which used the term Asia Pacific and was very US alliance focused in its discussion of Australia's strategic environment.

This point is important because the Indo-Pacific is a policy idea about the nature of our environment, an idea concerned as much with what policy and decisions might create, as with what might exist. It is an idea that can be and is contested.

When the 2013 Defence White Paper was under development, one of the underlying ideas behind the Indo-Pacific as a framing device, or enabling metaphor, was that it returned Australia's strategic focus to the archipelago to the north. In some ways it was a return to an older, more traditional framing of Australia's strategic environment. Its implicit argument was that for Australia, the capital of the Indo-Pacific is Jakarta.

1 Department of Defence, *Defence White Paper 2013* (Canberra: Australian Government, 2013).

The Pacific Islands in the Indo-Pacific

To ask the question of how the Pacific Islands fit into the Indo-Pacific is, perhaps, to ask the wrong question.

Australia has been an important friend to the Pacific Islands and a major contributor to their development and sovereignty. This contribution has also been important and valuable in establishing the extensive people to people connections between the Australian community and those of the Pacific Islands.

But another strand in Australian strategic policy towards the Pacific Islands has been, over decades, instrumental in its focus—the islands have been seen as objects that can be shaped and used in various ways to enhance Australia’s strategic position. Offshore detention centres are a recent manifestation of this instrumentalism—the countries are a means to an end—in this case, a place to put people Australia does not want.

Defence cooperation has been described in terms of understanding the environment where we might need to conduct military operations in the future, of shaping policing and military capabilities in ways that support those countries’ needs, but also enabling an appropriate infrastructure and interoperable capability for the ADF. And, of course, to influence defence and strategic policy thinking in those countries. So, important projects like the Pacific Patrol Boat Program and its successor, the Pacific Maritime Security Programme, are not only directed at providing much needed capabilities, but are also concerned with building a worldview about the nature of that strategic environment, a worldview created in Canberra.

Attention has waxed and waned, with increasing or decreasing focus depending on circumstances. So, when nothing is happening, Canberra turns its attention to the north or to the wider world—in recent times the Middle East. Then there is a crisis and a lot of attention flows back. We are now in a situation where the scale and scope of China’s activity through its Belt and Road Initiative across the Indo-Pacific and beyond is being seen as, and feels like, a slow-moving crisis gathering pace, and not the sort of crisis that we have had to deal with in the past.

In this context, we might ask whether Australian policy has got the balance right in the Pacific Islands. Has it really thought through what a strategic policy relevant to the Pacific Islands might mean within a broader framing of the Indo-Pacific idea?

Some Ideas Nascent in the 2013 Defence White Paper

The 2013 Defence White Paper argued for the proposition that the Indo-Pacific was an emerging strategic system. Because it was an Australian defence policy document, it focused on Australia’s strategic interests and tried to bring the archipelago to Australia’s north into a much stronger policy focus. It emphasised the strategic reality that the archipelago straddles the north of Australia and links the Indian and Pacific Oceans. It identified forces that were driving integration. Along with geostrategic and economic forces, it also identified major strategic challenges such as climate change that will affect all countries in the Indo-Pacific. It recognised that while the relationship between the United States and China was still the major factor in shaping the future strategic order,

other countries were emerging that would also exercise a major influence. The emergence of the Indo-Pacific strategic system implied the beginnings of a redistribution of power across the system, not just between the United States and China. In doing so, the White Paper also suggested the emergence of a community built on shared interests across the Indo-Pacific. It did this by emphasising the challenges that would affect all countries and advocated the need to find collective solutions. In paragraph 2.51, it observed that: “An important task for all Indo-Pacific nations will be to develop the security structures in our region to help ensure cooperation rather than competition.”

The idea of the Indo-Pacific was therefore not simply a reaction to China’s rise or perceptions of United States decline. It was a recognition that this emerging strategic system would be larger than both those major powers. The central question was how the community of nations within that system—including China and the United States—might cooperate to ensure strategic stability and security into the future.

But the other idea implied by the emergence of the Indo-Pacific idea was the question of what sort of institutions are likely to best facilitate its emergence in ways that support security and strategic stability. How should this evolving strategic order be managed? At the time there was considerable discussion in policy circles about the rise of China. The central policy problem that started to emerge was: how should Australia engage with the Indo-Pacific in the context of China’s potential future role?

A future world, which now seems to be emerging, and which the Indo-Pacific idea, at least implicitly, argued against, was one where the strategic order was bifurcated between China and the United States. To frame our strategic environment as the Indo-Pacific was to ask a different question. It was not asking who was going to dominate the strategic system Australia is part of, or how that strategic system might be bifurcated between the two major players, but rather, what sort of community could we build and how should that community govern itself?

The White Paper did not advance specific proposals, partly because it was focused on defence and strategic policy. However, it advocated the development of security structures that built cooperation rather than competition. Implicit in this approach is the recognition that regional institutions and security structures tend to develop in response to particular problems or needs of the time and in aggregate emerge as a regional architecture. The White Paper was perhaps implying that community building needed to be more deliberate and that traditional approaches were not sufficient to the rate and scale of change, or the transnational nature of strategic challenges.

This was a frame that tried to establish the idea that all countries have a stake in the Indo-Pacific and its future and that there was much greater benefit in some form of strategic order management that was rules-based and collaborative. It recognised that managing the changing power relativities between the United States and China was the most urgent and consequential strategic challenge for all countries.

The Pacific Islands as an Arena for Strategic Competition

The Pacific Islands are starting to emerge as an arena for strategic competition—China’s Belt and Road Initiative is an enormous and blunt force that is reshaping infrastructure across the Indo-Pacific and beyond. Though China’s Belt and Road is not as evident in the Pacific Islands, it seems to have coloured perceptions about China’s strategic intent

with the infrastructure initiatives it is taking. Chinese investment, however badged, is not the only economic and political force operating in our region; nor is it, when one considers the intensifying effect of climate change, perhaps the largest. But, more than any other, it has heightened anxiety in Australia about its role and position in relation to the Pacific Islands.

Of particular focus for policymakers has been the question of what it might mean for our strategic and security interests if China were to establish a military presence in this part of the world as an extension of its infrastructure engagement.

There is a danger of responding in a way that reinforces the old idea that the Pacific Islands are only a site for potential great power competition, or that they should be seen simply as being within Australia's sphere of interest and therefore subordinate to Australian strategic goals. This is the policy approach of seeing the Pacific Islands primarily as a means to some greater strategic end, rather than as key participants in a larger Indo-Pacific community.

The Role of Policy

Policy is as much about creating future worlds by describing them as it is about bringing those worlds into being through strategy. There is, when a new idea is being born, the very real danger of allowing traditional policy frameworks to overwhelm the possibilities inherent in that new idea. The challenge that the Indo-Pacific as a new, enabling idea presents to policy and strategy is to realise the potential inherent within it.

For Australian policy, this means that strategic thinking needs to step beyond seeing the Pacific Islands in an instrumental way and as an arena for future potential conflict. This is not to say that we should not consider these possibilities and plan for them. History tells us that we have seen conflict there in the past. But beyond this prudent caution, Australia needs to move towards a sense of strategic community in which participation enables capability and strengthens that community in multiple ways that add up to a more secure strategic environment. The quality of Australia's relationships with its Pacific Island neighbours has a direct bearing on Australia's security interests and the security of the wider neighbourhood.

So perhaps Australia needs a larger vision of the Indo-Pacific as a community in which the broader strategic goal is directed towards building shared community interests. The government has made some steps towards this in the past, and recent government moves in its Pacific 'Step Up', including the Pacific Fusion Centre, the Australian Pacific Security College, the Blackrock Camp project in Fiji, along with other major initiatives in infrastructure financing, labour mobility and in education are excellent initiatives in this direction.

But much of our strategic discourse has worked against the idea of a community of nations with shared interests and challenges that are of greater importance for the future than purely national concerns. Perhaps the Indo-Pacific idea gives us the opportunity to rethink our policy and the positioning of the Pacific Islands in Australian strategic discourse. This might be a more productive long-term framing of the Indo-Pacific idea in the context of the Pacific Islands, rather than just seeing them as an arena for an emerging strategic competition between major powers.

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Let's Hear It for the Boe

Tess Newton Cain

The Boe Declaration on Regional Security was signed by all members of the Pacific Islands Forum during the 49th Leaders' meeting in Nauru. It has been introduced and socialised during a period of heightened geopolitical uncertainty. How it has been referenced and articulated has varied as between different actors and this reflects competing priorities as between domestic, regional and international policy. The Boe Declaration is premised on an affirmation that climate change remains the single biggest threat to the signatory countries. This highlights significant cleavages among signatories. We have yet to see how the implementation of this Declaration will work to remedy those or entrench them further.

The Boe Declaration on Regional Security¹ was signed by all members of the Pacific Islands Forum at the 49th Leaders' meeting in Nauru in 2018. The Pacific Islands Forum is the peak political decision-making body in the region. It comprises eighteen members, including Australia and New Zealand. Its Secretariat is housed in Suva and the current Secretary-General is Dame Meg Taylor, from Papua New Guinea. An annual meeting of Pacific Islands Forum Leaders is hosted by a different member each year. There are two other standing meetings of the Pacific Islands Forum—the Forum Finance and Economic Ministers' Meeting and the Forum Foreign Ministers' Meeting.

The Boe Declaration builds on and effectively supersedes the Biketawa Declaration which was signed by Forum Leaders at the 31st Forum meeting in 2000.² The text of the Boe Declaration captures a revised and expanded picture of security in the Pacific context.

The road to Boe was a long one; the Pacific Islands Forum Secretariat conducted numerous consultations in member countries with political leaders and other stakeholders as part of the process to develop the text. This sets it apart from other items on the agenda of recent Leaders' meetings that have been through the processes for regional policymaking that are envisaged by the Framework for Pacific Regionalism (FPR). The FPR processes for identifying items of regional policymaking importance are generally considered to be more inclusive as they involve an open call for submissions. However, these processes have not been embraced by governments or political leaders, although they have been popular with civil society organisations, academics and some regional organisations. The Pacific Islands Forum Secretariat has indicated that the process for developing the Boe Declaration—with its meetings in member countries with political actors and key people from other sectors—has been more meaningful and conducive to promoting

1 Pacific Islands Forum Secretariat, *Boe Declaration on Regional Security*, 5 September 2018, <www.forumsec.org/boe-declaration-on-regional-security/> [Accessed 14 July 2019].

2 Pacific Islands Forum Secretariat, *Biketawa Declaration*, 28 October 2000, <www.forumsec.org/wp-content/uploads/2017/11/BIKETAWA-Declaration.pdf> [Accessed 14 July 2019].

political buy-in. It is likely that a similar process will be adopted to develop the ‘2050 strategy’ further to Leaders having agreed to this piece of work at the recent Pacific Islands Forum meeting in Tuvalu.³

Nonetheless, some of the most significant developments in relation to the Boe Declaration occurred in what were the final stages of the drafting process. The draft text that emerged from the meeting of the Forum Foreign Ministers was significantly different from what was submitted to that meeting by Forum officials.⁴ A particularly notable example of the change to the text was the promotion of climate change impacts as a threat to security in the region and a deprioritisation of cyber security concerns. Further significant amendments were made by Forum Leaders when they met in retreat resulting in the final text, which Leaders went on to endorse.

One of the most significant changes that was made to the text was the restatement of a commitment by Forum members to principles of democracy, human rights, the rule of law, and good governance. This was absent from earlier versions of the text. This was problematic, not least because these principles were what constituted the entirety of the Biketawa Declaration. Several commentators and analysts were concerned that if an explicit commitment to democratic government and the rule of law was not captured in the document that was to replace the Biketawa Declaration, there would be no such normative statement operative at the regional level. In addition, given the Boe Declaration’s focus on an expanded concept of security (see below for more on this) it is only appropriate that these principles be carried forward as integral to the future security of our region.⁵

As has already been mentioned, the main thrust of the Boe Declaration is to set down the parameters of an expanded definition of security: one that reflects the concerns and priorities of Pacific peoples. The Boe Declaration recognises that there are issues of geostrategic concern at play and that they have an impact on what happens in the region. However, when it comes to security priorities, the main focus is on issues of human security, including food security, water security and protection of valuable ocean resources. A very clear example of how this plays into the refinement of the Declaration was that in earlier texts ‘cybercrime’ appeared first in the list of threats facing the region, which may have created the impression that it was the most important priority for regional security or, at least, somehow first among equals. The work of the Forum Foreign Ministers resulted in the listed threats being reordered, with cyber security coming further down the list.

The most significant amendment to the draft text of the Boe Declaration was made by Leaders and is the one that has become its defining feature. It is the statement that the parties to the Declaration ‘affirm’ that climate change remains the single biggest security threat to the region. This should not come as a surprise, given that this has

3 Pacific Islands Forum Secretariat, *Fiftieth Pacific Islands Forum, Funafuti, Tuvalu, Forum Communiqué*, 13-16 August 2019, <www.forumsec.org/wp-content/uploads/2019/08/50th-Pacific-Islands-Forum-Communique.pdf> [Accessed 16 September 2019].

4 Tess Newton Cain, ‘New Faces and Absent Friends in Pacific Diplomacy’, *Lowy Interpreter*, Lowy Institute, 23 August 2018.

5 Tess Newton Cain, ‘Commentary on the Boe Declaration’, in Anna Powles (ed.), *The 2018 Boe Declaration on Regional Security: Ten Different Views from Pacific Security Commentators* (Hamilton, NZ: Security, Politics, and Development Network, Massey University, 6 June 2019), pp. 4-5.

been the position of Pacific Island states for a number of years. This has been reflected in successive communiqués of Pacific Islands Forum Leaders' meetings since 2015, notwithstanding efforts by Australia to water down texts,⁶ including most recently at the meeting of Leaders in Tuvalu.⁷

Since the Boe Declaration was adopted, a number of significant threads have emerged that are instructive about where the Declaration sits within the regional architecture and the wider geopolitical context. How it has been referenced (or not) by signatories provides important illustration of the depth of commitment to Pacific regionalism, over and above employed rhetoric.

The Boe Declaration includes a very clear statement as to the awareness and understanding of Pacific leaders of the challenging geopolitical environment in which their countries are placed:

We recognise an increasingly complex regional security environment driven by multifaceted security challenges, and a dynamic geopolitical environment leading to an increasingly crowded and complex region.⁸

However, the emphasis of the text as a whole on human security represents a continuation of the efforts of Pacific leaders to tell their partners, near and far, what their concerns are in terms of safeguarding the current and future wellbeing of their peoples.⁹ This does not necessarily sit easily with narratives that emanate from Canberra and Washington which focus more on geostrategic competition. Leaders from the Pacific have made it clear that they do not wish to be viewed as pawns on some sort of geopolitical chessboard. Neither do they see value in being forced into a situation where they are expected to make a choice between 'traditional' partners, including Australia, and China. As Forum Secretary General Dame Meg Taylor said in a February 2019 speech:

Forum Leaders have made it clear on a number of occasions that they place great value on open and genuine relationships, and inclusive and enduring partnerships within our region and beyond. A 'friends to all approach' is commonly accepted, while some have made a more formal commitment to this principle through their non-aligned status.¹⁰

How this declaration has been represented and referenced in the Australian discourse merits further consideration. It is important to locate this analysis within the wider discourse surrounding the 'Pacific step up'. Although this 'step-up' may be most closely associated with the period since Scott Morrison became Prime Minister, it originated in a

6 Stephen Dziedzic, Michael Walsh and Jack Kilbride, 'Australia Signs Declaration on Pacific Climate 'Threat', Islands Call on US to Return to Paris Deal', *ABC News* (online), 7 September 2018.

7 Stefan Armbruster and Tess Newton Cain, 'Trying Times in Tuvalu', *DevPolicy Blog*, Development Policy Centre, Australian National University, 20 August 2019.

8 Pacific Islands Forum Secretariat, *Boe Declaration*.

9 Tess Newton Cain, 'Australia Shows Up in Tuvalu and Trips Over', *East Asia Forum*, 30 August 2019.

10 Dame Meg Taylor, Keynote Address to 'The China Alternative: Changing Regional Order in the Pacific Islands', University of the South Pacific, Port Vila, Vanuatu, 8 February 2019, <www.forumsec.org/keynote-address-by-dame-meg-taylor-secretary-general-the-china-alternative-changing-regional-order-in-the-pacific-islands/> [Accessed 17 September 2019].

2016 announcement by then Prime Minister Malcolm Turnbull¹¹ followed by its inclusion in the Foreign Policy White Paper that was published in November 2017.¹² As I have discussed elsewhere,¹³ one of the key features of the White Paper was the use of a security lens to frame discussions of policy in relation to the Pacific Islands region. Since then, the persistence of security as a framing concept for Australian policymakers when talking with or about the Pacific has remained.

However, there has been and continues to be a significant divergence in how security is discussed as between Canberra and Pacific states. The most notable point of divergence arises in relation to what is the basic premise of the Boe Declaration—that climate change poses the single greatest security threat to the countries of the Pacific Islands region. This is an area characterised by what might be described, at best, as political ambivalence on the part of Australian leaders. This has a domestic aspect, particularly with regard to a refusal to move away from fossil fuels as a source of energy and revenue. It can also be seen as having a foreign policy aspect beyond the Pacific as Australia signals its continuing (and possibly increasing) commitment to the US alliance, and other strategic groupings such as the Quadrilateral partnership with the United States, India and Japan.

This is not something that is confined to Australia. Among the wider membership of the Pacific Islands Forum, the extent to which this Declaration is centred within discussions about security varies. As with other regionalism projects, the implementation of the Boe Declaration will proceed where willingness is greatest and resistance is least. Pacific regionalism is based on voluntary participation and there are numerous political economy factors that have the potential to impede success.¹⁴ The recent decision by Pacific Islands Forum Leaders to endorse the Boe Declaration Action Plan¹⁵ is part of how this relatively new piece of regional architecture will become socialised and embedded alongside other pillars that are more established and familiar.

It is important not to overstate the significance of the Boe Declaration. It is not a treaty and it creates no legal obligations on the part of any of the parties to it. As with other aspects of Pacific regionalism, it is essentially voluntary in nature. And it sits within a wider framework of regional engagement, which is characterised by a commitment to consensus decision-making. Going forward, the development of the ‘2050 Strategy’ as envisaged by the Forum Leaders at their 50th meeting in Tuvalu will include melding the Boe Declaration into the existing and emerging regional architecture.

During her speech to the State of the Pacific conference in September 2018, Dame Meg Taylor located the Boe Declaration within the wider conceptual framework of the ‘Blue Pacific’.

11 Jenny Hayward-Jones, ‘Turnbull’s First Pacific Islands Forum’, *Australian Outlook*, Australian Institute of International Affairs, 15 September 2016.

12 Department of Foreign Affairs and Trade, *2017 Foreign Policy White Paper: Opportunity, Security, Strength* (Canberra: Australian Government, 2017).

13 Tess Newton Cain, *Walking the Talk: Is Australia’s Engagement with the Pacific a Step Up or a Stumble?* (Cairns: The Cairns Institute, James Cook University, 2017).

14 Matthew Dornan and Tess Newton Cain, ‘Regional Service Delivery among Pacific Island Countries: An Assessment’, *Asia and the Pacific Policy Studies*, vol. 1/3 (2014), pp. 541-60.

15 Pacific Islands Forum Secretariat, *Forum Communiqué*.

This is the schema that was adopted by the Leaders of the Pacific Islands Forum in 2017:

In 2017 Forum Leaders endorsed the Blue Pacific narrative as the core driver of collective action for advancing the Leaders vision under the Framework for Pacific Regionalism. The narrative explicitly recognises that as the Blue Pacific, we are custodians of some of the world's richest biodiversity and marine and terrestrial resources. Through our stewardship of the Pacific Ocean, we must do all we can to protect the wellbeing of Pacific peoples, and indeed Pacific nation-states and the ocean continent they inhabit.

To date, the Blue Pacific narrative has been successful in building solidarity and shifting the prevailing narrative of the region as small, dependent and vulnerable. Going forward, we need to build on this and develop concrete strategies that leverage the increased interest in our region and secure the future of the Blue Pacific.¹⁶

The members of the Pacific Islands Forum, including Australia, are faced with numerous challenges and priorities when it comes to security. The Boe Declaration is a relatively new addition to the regional architecture and its full impact has yet to unfold. As things currently stand, there looks to be a great deal of work to be done if this mechanism can achieve meaningful cohesion within the Blue Pacific.

After the meeting of Forum Leaders in Tuvalu, some called for Australia to be excluded from the regional grouping because of its apparent intransigence when it comes to addressing climate change mitigation. However, the more likely future is that Australia will remain in the Forum and there will be further attempts by other members to use the levers of regionalism such as the Boe Declaration to nudge Canberra over time.¹⁷ It is hard to predict how successful this will be without a significant shift in domestic policy in Australia. However, the geostrategic anxiety that is driving Australia's 'Pacific step up' is shared by the United States and other partners with whom Canberra needs to maintain credibility and relevance. It is becoming apparent that a failure or inability to bridge what are quite significant divides between Australia (and, to a much lesser extent, New Zealand) and the Pacific has the potential to undermine key strategic relationships.¹⁸

The Boe Declaration will be an important feature of Pacific regionalism as we move forward and navigate a shifting strategic and security landscape. Its place in the regional architecture is now established and we have already seen indications of its significance at the most recent meeting of Pacific Islands Forum Leaders.

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16 Taylor, Keynote Address to 'The China Alternative'.

17 George Carter, 'The Pacific Should Persist with Australia on Climate Change', *East Asia Forum*, 16 September 2019.

18 Newton Cain, 'Australia Shows Up in Tuvalu and Trips Over'.

The Crowded and Complex Pacific: Lessons from France's Pacific Experience

Denise Fisher

The recent experience of France in the Pacific Islands provides some cautionary indicators for Australia about the potential effect of new players seeking engagement in the region, and the likely approaches of island leaders to them.

France is effectively the only remaining European power resident¹ in the Pacific islands through its sovereign territories, New Caledonia, French Polynesia, Wallis and Futuna and Clipperton Island. It sees itself both as a leading European power in the Pacific, and as an internal Pacific Islands regional power, based on its sovereignty there.² The French territories occupy strategic positions relative to the Pacific Island states: New Caledonia and French Polynesia flank the Pacific Islands Forum (PIF) region at the western and eastern ends respectively, with Wallis and Futuna at the centre. France's uninhabited Clipperton Island lies north of the Equator just off the Mexican coast. Of the four, New Caledonia is undoubtedly France's pre-eminent possession, site of its regional military headquarters and with strategic minerals (nickel, lithium, cobalt) and signs of petroleum and gas offshore. France has recognised in a series of recent assessments that its Pacific possessions represent strategic assets, making it the world's number two maritime power (in terms of maritime territory at least) by virtue of their vast exclusive economic zones, and underpinning France's claims to global leadership, and its scientific and technical, space and military roles.³

Until relatively recently, France was seen by island states as a disruptive regional influence, single-mindedly pursuing its own national objectives. Indeed, reactions to France's approach to nuclear testing and decolonisation demands in the Pacific have long been an important factor in the development of regional architecture and consciousness.

1 The United Kingdom retains a small presence in Pitcairn Island which has only forty-five residents and is run from its diplomatic mission in New Zealand.

2 See Denise Fisher, 'France, the EU and the South Pacific', *Briefing Paper*, Centre for European Studies, Australian National University, vol. 3, no. 9 (August 2019), <politicsir.cass.anu.edu.au/sites/default/files/docs/2012-9_France-the-EU-and-the-South-Pacific_O.pdf> [Accessed 23 September 2019]; and Denise Fisher, 'France: "In", "Of" or "From" the South Pacific Region?' *Journal de la Société des Océanistes*, 2012-2, no. 135 (2012), pp. 185-99.

3 French assessments include the Ministry for Europe and Foreign Affairs internal White Paper, '2030 French Strategy in Asia-Oceania', August 2018; Ministry of Defence, *Revue stratégique de défense et de sécurité nationale*, 14 October 2017, p. 27; Ministry of Defence, *Le Livre blanc sur la défense et la sécurité nationale*, 29 April 2013; Foreign and European Affairs Ministry, *La France en Asie-Océanie: enjeux stratégiques et politiques*, August 2011; Economic Social and Environment Council, 'L'extension du plateau continental au-delà des 200 milles marins: un atout pour la France', *Journaux officiels*, October 2013; and three Senate reports: 'La maritimisation', *Rapport d'Information*, no. 674, 17 July 2012; 'Colloque La France dans le Pacifique: quelle vision pour le 21e siècle?', *Rapport d'information* no 293, 25 January 2013; 'ZEEs maritimes: Moment de la vérité', *Rapport d'information* no 430, 9 April 2014.

As early as the 1960s, France ruled out discussion of these policies in the Noumea-based South Pacific Commission, now the Secretariat for the Pacific Community (SPC).⁴ In response, in 1971 island leaders established the South Pacific Forum (now the Pacific Islands Forum), a grouping which quickly became the region's pre-eminent political and security grouping. Similarly, Kanak independence demands in New Caledonia were the critical spur to the establishment of the Melanesian Spearhead Group in the 1980s.

In 1986, a concerted diplomatic campaign by members of the Forum secured the relisting of New Caledonia as a non-self-governing territory with the UN Decolonisation Committee, over France's bitter objections and accusations of interference in its internal affairs. France had removed its territories from UN purview in 1947. Relisting of New Caledonia with unanimous UN support showed that the world was watching France's policies there. The UN has passed a resolution on self-determination in New Caledonia every year since then.

By 1988, in the wake of UN attention, and after years of civil disturbance and a deadly showdown in New Caledonia between Kanak independence militants and French police, France had negotiated agreements beginning what was to be a thirty-year peaceful process of preparation for a vote on independence by 2018. The Matignon and Oudinot Accords were concluded in 1988, providing for an independence referendum within ten years. Concerns about a return to violence led all parties to sign the Noumea Accord in 1998, extending the date of a referendum by a further twenty years, to 2018. Responding to independence leaders' pressure, France also agreed finally to accept a UN role, and thereafter began reporting to the UN as the territory's administrator.

Pacific Island countries also led a long and ultimately successful international campaign, including in the United Nations, against French nuclear testing in French Polynesia. France bitterly opposed this campaign, including by bombing a Greenpeace protest vessel in Auckland Harbour in 1985. But island countries persisted and by 1996, succumbing to regional and international pressure, France had ceased testing there.⁵

In more recent years France has sought to improve its image in the region. Under the 1992 FRANZ Arrangement with Australia and New Zealand, it delivers disaster relief and fisheries surveillance. France participates regularly in defence exercises with Australia and New Zealand, Papua New Guinea, Fiji, Vanuatu and Tonga. It funds a modest aid program primarily through the SPC and associated organisations. In 2003 it set up triennial Oceanic Summits which focus largely on sustainable development and environment-related issues.

France has enjoyed considerable success in securing acceptance by regional countries. Its three territories participate widely in the SPC and various technical bodies as members, associate members or observers. The PIF's approach to membership by the French territories has evolved. Observer status, reserved for entities on the way to self-government, was given to New Caledonia in 1999 (after the signing of the Noumea Accord) and French Polynesia in 2004 (after a statutory measure that year,

4 See Denise Fisher, *France in the South Pacific: Power and Politics* (Canberra: ANU Press, 2013), p. 51; Stephen Bates, *The South Pacific Island Countries and France: A Study in Inter-State Relations* (Canberra: Dept. of International Relations, Australian National University, 1990), pp. 41-46; Greg Fry, 'Regionalism and International Politics of the South Pacific', *Pacific Affairs*, vol. 54, no. 3 (1981), pp. 462, 464.

5 See Stephen Henningham, *France and the South Pacific: A Contemporary History* (Sydney: Allen and Unwin, 1992), pp. 172-77; Nic Maclellan and Jean Chesneau, *After Moruroa: France in the South Pacific* (Melbourne and New York: Ocean Press, 1998); and Fisher, *France in the South Pacific*, pp. 83-84.

endowing some autonomies). After much lobbying by France for its territories' membership, the Forum created a new status of Associate member for both in 2006, when it also admitted Wallis and Futuna as an observer. Finally, in 2016, PIF leaders invited French Polynesia and New Caledonia, the two largest French territories, into its inner sanctum as full members, effectively admitting two French voices into its discussions—including on security matters. While it remains unclear why Forum leaders took this step when agreements such as the Noumea Accord had yet to play out fully, private communications with this author suggest that it was controversial, with dissenting voices during discussion, and highly political. One analyst has pointed to French pressure and discussions about potentially lucrative investment, for example in Papua New Guinea.⁶

With its increased regional participation founded on its territorial sovereignty, France is now facing challenges to that sovereignty arising from a self-determination process in New Caledonia in the final phase of the Noumea Accord, which will inevitably alter the nature of its role there, with potential spin-offs in its other territories. French Polynesian independence leader Oscar Temaru has already called for a similar referendum process there.⁷ As indicated, the referendum process in New Caledonia is the last step in the peace accords which ended civil war over independence in the 1980s and which have guaranteed three decades of predictability and peace. On 4 November 2018, the first referendum was held, of a possible three votes on independence by 2022. Regional island countries continue to take a close interest, and help drive UN involvement, based on solidarity with the indigenous and islander people in these territories. PIF ministerial missions visited New Caledonia to examine implementation of Noumea Accord commitments in 1999, 2001 and 2004, forwarding their reports to the UN. The PIF observed the November 2018 independence referendum and the 2019 local elections. At the urging of Kanak independence leaders supported by the MSG over many years, and at French invitation, the UN has overseen various aspects of preparation for the referendum and observed voting on the day itself.

As identified in its strategic assessments, the stakes for France are high, and the outcome of the process by no means assured. The November 2018 referendum results revealed deep ethnic division. Under intricate eligibility requirements, all of the 39 per cent of the population who are indigenous are eligible to vote in the independence referendums, but not all of the 27 per cent of the population who are European are eligible. While 57 per cent of voters supported staying with France, the 43 per cent supporting independence were overwhelmingly indigenous Kanak people. This was a surprise to many pro-France supporters who had expected significant support by some Kanaks for staying with France after thirty years of economic transfers and redistribution of nickel-based operations and revenue. Kanak support for independence was so striking that an overlay of the 'yes' vote over a demographic map of Kanak areas coincides exactly.

The broader Pacific Island context was also important. Independence leaders in their campaign targeted other Pacific islanders in the population, including the around 8 per cent Wallisians, most of whom had emigrated from Wallis and Futuna under favourable

6 Nic Maclellan, 'France and the Forum', *Inside Story*, 13 October 2016, <insidestory.org.au/france-and-the-forum/> [Accessed 22 September 2019].

7 Temaru's party Tavini Huiraatira communique, "'Un désaveu cinglant pour la France coloniale" selon le Tavini', *actu.fr*, 4 November 2018, <www.ladepeche.pf/desaveu-cinglant-france-coloniale-selon-tavini/> [Accessed 20 September 2019].

employment provisions, and a further 3 per cent from other islands (French Polynesia and Vanuatu), many of whom are eligible to vote in the referendums. Significantly, independence leaders sought, and received, support from clan leaders in neighbouring island countries and from the Melanesian Spearhead Group. Moreover, since the referendum, local elections in May 2019, expected to be the last under the peace accords, saw an increase in the independence groups' representation in the local congress at the expense of the majority loyalist coalition, which has become more hard-line, and the emergence of a new ethnic Wallisian based party playing a power-broking role. The fact of a Wallisian party holding the balance of power is complicated by a history of ethnic tension and violence between Wallisians and Kanaks.

This current situation of heightened ethnic division and consequent loyalist fear does not bode well for the sensitive and protracted process ahead: because the answer to the first referendum was 'no' to independence, under the Noumea Accord a second vote may be held by November 2020 and, in the same circumstances, a third by November 2022. Thereafter discussions must be held to address the situation, likely to redefine governance for the future. Therefore New Caledonia will either become independent if voters support independence, or, even in the more likely result that voters won't vote that way, will be reconsidering its existing governance and autonomies, impacting on France's status and with knock-on effects on its other regional territories. France is urging the beginning of these important discussions as soon as possible, rather than waiting for 2022. Because of the size of the indigenous Kanak population and the fact that they are not, unlike European or other residents, likely to leave, no long-term plan can be viable without considering their position, as expressed at least in November 2018, in favour of independence. And island regional neighbours are watching.

The Pacific Islands' success in their international campaign pressuring France to change its activities there shows that, just as any long-term stable future for New Caledonia requires consideration of the indigenous Kanak pro-independence position, so any long-term future for France in the region requires ongoing support by island countries. This support cannot be assumed. Only in 2013, three PIF island countries (Nauru, Tuvalu and Solomon Islands) sponsored the successful relisting of French Polynesia as a non-self-governing territory with the UN Decolonisation Committee against France's outspoken and bitter opposition, a replay of the islands' 1986 success in relisting New Caledonia. While the timing and immediate success of the passage of this unanimous UN General Assembly resolution were a surprise, including to Australia and New Zealand, the resolution was the result of extensive regional lobbying by French Polynesian independence leader Oscar Temaru over many years. The fact that some PIF members sponsored the relisting resolution, over profound French opposition, underlines that the Forum is not united in its recent more forthcoming treatment of France.

France's more constructive regional role has recently been seen as an asset by western interests (the United States, Australia and New Zealand), not least because it has involved direct defence and other cooperation, for example through the FRANZ, and has worked within existing regional architecture (the SPC, the associated technical bodies, the PIF) initiated by Australia and New Zealand in concert with island governments. But as the regional experience with France has shown, it can only continue on the terms of the regional island governments. With an ever-increasing number of new partners seeking relationships in the Pacific, PIF Secretary General Dame Meg Taylor in February 2019

signalled that members generally want to be “friends to all” and are prepared to leverage competing offers for their own benefit.⁸ However, their capacities to do so are being constrained for many reasons.

First, the sheer size and weight of the increased presence of China in recent years has imposed constraints on island governments. China comes to the region with its own political conditions which differ to those of western partners. These include requiring support for the one-China policy, concessional loans, using China’s contractors and labour, and much procurement from China, and making approved tourism status conditional on cooperation. China also prefers working via bilateral relations rather than through regional bodies.⁹

Second, the adjustment of traditional partners to the new presence of China has increased the complexity of island governments’ interactions with them. The United States announced an initial pivot to the Asia-Pacific, stepping up the level of its delegations to regional meetings and modestly increasing its diplomatic and aid presence, while effectively continuing to leave western leadership in the islands region to Australia and New Zealand. The Obama administration took up the idea of a broader ‘Indo-Pacific’ vision from 2010. The Trump administration has advanced this concept, while tending to focus on bilateral commercial links, with aid taking a firm second place: a challenge for a region like the Pacific Islands dependent on foreign aid.¹⁰ Taiwan continued its competition with China for political recognition, and, after China convened a Pacific Island Countries Economic Development and Cooperation Forum summit in April 2006, established a regular regional summit of its own, the Taiwan Pacific Allies Summit just months later. Japan increased its aid and commitment to its Summit-level discussions, and sought closer engagement with the United States against the China bulwark.¹¹ Australia and New Zealand both tightened their strategic relationship with France, based on regional defence cooperation in the Pacific Islands, Australia signing an Enhanced Partnership agreement in 2012, strengthened in 2017, and New Zealand a Joint Declaration with France in 2018. Australia, too, has subscribed to the ‘Indo-Pacific’ concept from 2013, if somewhat fuzzily,¹² while keeping the Pacific islands region as a priority. Prime Minister Morrison announced a refreshed Pacific Islands approach, heavily based on security issues, in November 2018.¹³

8 Dame Meg Taylor, Keynote Address to ‘The China Alternative: Changing Regional Order in the Pacific Islands’, University of the South Pacific, Port Vila, Vanuatu, 8 February 2019, <www.forumsec.org/keynote-address-by-dame-meg-taylor-secretary-general-the-china-alternative-changing-regional-order-in-the-pacific-islands/> [Accessed 26 June 2019].

9 This and the succeeding two paragraphs draw from Denise Fisher, ‘One among Many: Changing Geostrategic Interests and Challenges for France in the South Pacific’, *Les Études du CERi*, no. 216 (Paris: Centre des recherches internationales, Sciences-po, December 2015), <www.sciencespo.fr/ceri/en/content/one-among-many-changing-geostrategic-interests-and-challenges-france-south-pacific> [Accessed 22 September 2019].

10 See for example David Scott, ‘The Indo-Pacific in US Strategy: Responding to Power Shifts’, *Rising Powers Quarterly*, vol. 3, no. 2 (2018), pp. 19-43.

11 For elaboration, see Fisher, ‘One among Many’, p. 24.

12 See Denise Fisher, ‘Australia Needs Indo-Pacific Clarity’, *Policy Forum*, Asia and the Pacific Policy Society, 3 July 2018, <www.policyforum.net/australia-needs-indo-pacific-clarity/> [Accessed 22 September 2019].

13 Scott Morrison, ‘Australia and the Pacific: A New Chapter’, Speech at Lavarack Barracks, Townsville, Qld, 8 November 2018, <www.pm.gov.au/media/address-australia-and-pacific-new-chapter> [Accessed 26 June 2019].

As for France, apart from pursuing its modest cooperation activities, with France's claims to a global leadership role uppermost in mind, President Macron has articulated his own version of an 'Indo-Pacific' vision. Visiting Canberra in early 2018, he referred to a Paris-New Delhi-Canberra axis. But in his subsequent visit to New Caledonia lobbying for voters to support staying with France in the November 2018 referendum, he extended the arc from Paris right through to New Caledonia, provided it remains French. In Noumea, he framed his vision as squarely aimed at a "hegemonic" China, rhetoric enthusiastically taken up by pro-France parties in New Caledonia.¹⁴ In this, Macron has posed a binary choice (the West v. China) for regional nations when many, including Australia, might prefer not to have to make such a choice.

All of these repositionings and activities have heightened the complexity of demands on regional island countries.

At the same time that traditional players renewed their regional interests, there has been an influx of numerous relatively new players (such as India, Russia and even the UAE) pursuing a range of diverse and sometimes arcane objectives. These include Russia seeking island votes in the UN for recognition of Abkhazia and Ossetia, and the UAE lobbying for support to be the headquarters of the International Renewable Energy Agency. Such activity has put pressure on local governments' capacities. PIF countries, in addition to maintaining eighteen dialogue partner relationships, now participate in separate regular summits with China, Taiwan, Japan, France and India. Some of the bigger partners, such as the EU led by France, and China, have set new markers for collaboration, often bilaterally, rather than through regional institutions.

PIF countries have also changed their patterns of inter-island cooperation, working increasingly with other small island states around the globe in forums such as the Alliance of Small Island States and the Pacific Small Islands Developing States on priorities such as sustainable development and climate change. Regionally some have developed new forums excluding some of the traditional regional larger governments (Australia and New Zealand), such as the Pacific Islands Development Forum, and the Polynesian Leaders Group.

France's regional engagement itself presents challenges for the island governments, and for traditional partners Australia and New Zealand in their efforts to lead western interests in the region. For example, when asked about the effect on PIF capacity to discuss and decide sensitive security questions such as collective security responses and implementing the Boe Declaration, now that the Forum includes two French voices, senior regional figures privately reply that measures will be found to circumvent this problem, including one suggestion that the real discussion between island leaders on these issues will take place outside of the Forum.¹⁵ This should be of concern to Australia and New Zealand, who have worked for the existing Forum security dispositions.

14 Emmanuel Macron, Discours du Président de la République à Nouméa, 5 May 2018, <www.voltairenet.org/article201080.html> [Accessed 26 June 2019].

15 Expressed publicly by Solomon Islands' Permanent Secretary for Foreign Affairs and External Trade, Collin Beck, in response to a question at the 'Pacific in the Indo Pacific' conference, Australian National University, Canberra, 7 June 2019.

The experience of island countries' treatment of France in recent decades shows that they can and will wield their capacity to unite, and to attract international support, against a player viewed as troublesome, when their interests are at stake, with or without 'non-island' Forum partners Australia and New Zealand. They will use strategic alliances within multilateral bodies and new bilateral relationships to do so, and they will reorganise regional architecture if necessary, as they have in the past.

Australia and New Zealand, like France and the United States, have to work harder to exert influence and secure cooperation in the region. Like any of the other players, Australia has its own unique strategic interests, and needs to be clear-minded about these and about pursuing them. Part of clarifying its interests will be acknowledging that France's interests are not always identical with its own, given France's primary focus on its claims to global leadership and presence. The forthcoming playing-out of the decolonisation process in New Caledonia may put these varying interests to the test.

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Oceans Apart?

Considering the Indo-Pacific and the Blue Pacific

Wesley Morgan

As maritime democracies in the Indian and Pacific Oceans look to balance a rising China, Pacific Island states increasingly find themselves understood as a subset of a broader 'Indo-Pacific' region. However, Pacific Island states have unique security concerns, particularly in relation to climate change, and are working together to tackle them as one ocean continent: the 'Blue Pacific'. This article considers both Australia's recent step up in the Pacific, and the collective action strategies of Pacific Island states themselves. The article concludes that a more determined response to the security concerns of island states is crucial for any alignment between the Indo-Pacific and the Blue Pacific.

As China becomes more powerful, it is challenging American regional military predominance in Asia, but also in the western Pacific and increasingly in the Indian Ocean. In response to this challenge, the United States and its allies are investing in offshore balancing strategies, which entail greater security cooperation amongst maritime democracies in both the Indian and Pacific Oceans.¹ As a corollary to these strategies, new mental maps of the region have been drawn up. Increasingly, America and its allies are replacing the concept of Asia-Pacific with that of the Indo-Pacific. More than a simple change in nomenclature, this shift is part of an intensifying hearts and minds contest for influence, the likes of which has not been seen since the end of the Cold War. This paper is concerned with the implications of this shift in strategic thinking for Pacific Island states.

Renewed geostrategic competition means Pacific Island states find themselves drawn into the designs of others, as they clamber to cement existing security relations or to develop new ones. Australia, for example, has launched a Pacific step up, a new policy of engagement intended to consolidate Canberra's influence in the region, while limiting the influence of others. However, Pacific Island states are not without agency of their own. Together they are asserting a shared identity as an oceanic continent—the 'Blue Pacific'—and are pursuing collective action to tackle the Pacific's own security concerns, particularly regarding climate change. Renewed interest in the Pacific represents an historic opportunity for Pacific Rim states, and other powers, to engage with Pacific Island states on their own terms. Failure to do so will likely prevent closer alignment between the Blue Pacific and any broader vision for the Indo-Pacific.

1 For discussion of 'offshore balancing' in Asia, see Christopher Layne, 'From Preponderance to Offshore Balancing, America's Future Grand Strategy', *International Security*, vol. 22, no. 1 (1997), pp. 86-124. See also John Mearsheimer and Stephen Walt, 'The Case for Offshore Balancing: A Superior US Grand Strategy', *Foreign Affairs*, July 2016, pp. 70-83.

Part one of this article discusses changing geopolitical conditions in the Pacific Ocean, with a focus on the implications of a more powerful China, and reactions of other regional players. Part two considers how changes in the broader Indo-Pacific region have raised geostrategic anxieties in Canberra which have, in turn, shaped a step up in Australia's engagement with Pacific Island countries. Part three considers the ways that Pacific islanders are looking to assert their own interests, and pursue collective action strategies, in the context of a return to geostrategic competition in the Pacific Ocean.

Part One: A Shifting Balance of Power in the Pacific Ocean

For seventy years, the overarching balance of power across the Pacific Ocean has been a settled matter. At the end of World War Two, strategic planners viewed the whole of the ocean as a maritime domain shaped by American power. In 1949, US General Douglas MacArthur explained the Pacific had “become an Anglo-Saxon lake”.² Today, however, there is growing strategic anxiety among countries on the Pacific Rim. As the locus of power in the world begins to shift, there is uncertainty about prospects for the existing regional order.

Considering the Rise of China

At the core of growing unease is a rising China. Rapid economic growth in that country, and corresponding investment in military technologies and naval capabilities, has begun to tip the balance of power from the eastern rim of the Pacific to its western edge. The Australian Treasury estimates that by 2030, China's economy will be nearly twice the size of that of the United States, at US\$42.4 trillion and US\$24 trillion respectively.³ With economic growth comes an enhanced capacity to influence regional affairs. For Pacific Island countries, China is an increasingly significant donor and lender, contributing over the decade 2006–16 nearly US\$1.8 billion to the region.⁴ During that time, China overtook Japan and New Zealand to become the second-largest aid donor, after Australia, to independent island nations.⁵ Trading relations also intensified dramatically. Between 2000 and 2017, Chinese exports to Pacific Island countries increased twelve-fold, and while Chinese imports from island states increased from a low starting point, they did so by a similar magnitude.⁶

The most significant of China's recent foreign policy initiatives is an ambitious multi-trillion dollar program intended to reshape economic geography in its near abroad, the so-called ‘Belt and Road Initiative’. Encompassing significant investment in infrastructure projects—including ports, roads, railways and energy—the Belt and

2 Cited in David Scott, ‘US Strategy in the Pacific—Geopolitical Positioning for the Twenty-First Century’, *Geopolitics*, vol. 17, no. 3 (2012), pp. 607-28.

3 Department of Foreign Affairs and Trade, *2017 Foreign Policy White Paper: Opportunity, Security, Strength* (Canberra: Australian Government, 2017), pp. 26.

4 See Chengxin Pan, Matthew Clarke and Sophie Loy-Wilson, ‘Local Agency and Complex Power Shifts in the Era of Belt and Road: Perceptions of Chinese Aid in the South Pacific’, *Journal of Contemporary China* (online) (November 2018), pp. 2-4.

5 Lowy Institute, ‘Pacific Aid Map’, 2018, <pacificaidmap.lowyinstitute.org/> [Accessed 20 December 2018].

6 See Matthew Dornan and Sachini Muller, ‘The China Shift in Pacific Trade’, *DevPol Centre Blog*, Development Policy Centre, Australian National University, Canberra, 15 November 2018.

Road Initiative reaches into the Pacific Ocean, as part of a geographically amorphous '21st Century Maritime Silk Road'. Chinese maps issued in 2015 extended the reach of the Maritime Silk Road to include parts of the South Pacific.⁷

China is also investing in military capacity, particularly in naval technology, and has begun to modernise its navy and develop an ocean-going, 'blue water' fleet. In addition, China has developed 'Anti-Access Area Denial' (A2AD) capabilities that would "make it difficult for the US and its allies to operate close to China".⁸ Since 2015, China has also built artificial islands on disputed reefs and shoals in the South China Sea, and fortified some of them with anti-ship cruise missiles, surface-to-air missiles and equipment designed to jam military communications.⁹ These developments have 'pushed' US naval predominance further away from mainland China—from what both US and Chinese military planners refer to as the 'first island chain' out to the 'second island chain', located further into the Pacific and Indian Oceans.¹⁰

As China Rises, the United States Responds

Even as China presents a challenge, the United States has signalled that it intends to remain a force in Asia. In 2011, US President Barack Obama announced a rebalance of US forces to the broader region and declared "the US is a Pacific power, and we are here to stay".¹¹ Furthermore, the United States has become increasingly overt about geostrategic competition with China. The 2018 US National Defence Strategy labelled China a "strategic competitor"—one that is looking to "coerce neighbouring countries to reorder the Indo-Pacific region to their advantage".¹² Pursuing a strategy of outright competition with China represents a shift from a decades-long period marked both by engagement—encouraging China to play by the 'rules' of the US-led international order, and containment—attempts to 'manage' China's rise and encourage cooperative behavior.¹³

7 For discussion, see Jean-Marc F. Blanchard and Colin Flint, 'The Geopolitics of China's Maritime Silk Road Initiative', *Geopolitics*, vol. 22, no. 2 (2017), pp. 226-27.

8 Sam Roggeveen, 'China's New Navy: A Short Guide for Australian Policy-Makers', *Centre of Gravity series*, no. 41 (Canberra: Strategic and Defence Studies Centre, Australian National University, May 2018).

9 Ankit Panda, 'South China Sea: China Deploys Jamming Equipment', *The Diplomat*, 2018, <thediplomat.com/2018/04/south-china-sea-china-deploys-jamming-equipment/> [Accessed 20 December 2018]. See also Ankit Panda, 'US Calls on China to Remove Missiles from South China Sea Artificial Islands', *The Diplomat*, 10 November 2018, <thediplomat.com/2018/11/us-calls-on-china-to-remove-missiles-from-south-china-sea-artificial-islands/> [Accessed 20 December 2018].

10 As Wesley explains: "China's raising of risks for US forces in the western Pacific has motivated the dispersal of these forces so that now the US and its allies have developed a dispersed defense perimeter in places such as Guam, Diego Garcia—and Australia". Michael Wesley, 'Australia's Grand Strategy and the 2016 Defence White Paper', *Security Challenges*, vol. 12, no. 1 (2016), p. 26. For detailed discussion of Chinese and American conceptions of the 'island chains' of the Western Pacific, see Andrew Erickson and Joel Wuthnow, 'Barriers, Springboards and Benchmarks: China Conceptualises the Pacific "Island Chains"', *The China Quarterly* (online), January 2016, pp. 1-22.

11 Barack Obama, 'Remarks by President Obama to the Australian Parliament', The White House, Office of the Press Secretary, 17 November 2011, <obamawhitehouse.archives.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament> [Accessed 20 December 2018].

12 US Department of Defense, *Summary of the National Defense Strategy of The United States of America: Sharpening the American Military's Competitive Edge*, (Washington DC: United States Department of Defense, 2018).

13 For discussion, see Ian Hall, 'The Case for a Free and Open Indo-Pacific', *The Wire*, 25 July 2018, <thewire.in/diplomacy/free-and-open-indo-pacific-donald-trump-foreign-policy> [Accessed 20 December 2018].

Intensifying competition with China has seen a build-up of US forces in the western Pacific, particularly in Guam.¹⁴ In 2011 Australia also agreed to host regular rotations of US marines and military aircraft at a US base in Darwin. In 2016, naval cooperation between the United States and India also intensified when New Delhi agreed to allow the United States access to Indian military bases in return for weapons technology “to help narrow the gap with China”.¹⁵ Despite these developments, it is clear that maintaining geostrategic supremacy in Asia will come at an increasingly high cost to the US. Some suggest that in the medium-term American core interests will not be sufficiently engaged to meet those costs.¹⁶ For its part, China plans to dramatically increase investment in a ‘blue water’ navy. Australia’s Department of Defence suggests that, by 2035, China’s overall defence spending will match that of the US, with much of this increase directed toward a modern, ocean-going, navy.¹⁷ Indeed, some argue that China may be building a “post-American navy”; one designed “not to confront US naval predominance in the Pacific, but to peacefully inherit this predominance as the US baulks at the increasing cost of continued regional leadership”.¹⁸ Of course others contend the US is not likely to cede naval predominance in the western Pacific without putting up a serious challenge.¹⁹

The election of Donald Trump, and his assertion of an ‘America First’ approach to foreign policy, has added to uncertainty about US intentions in the western Pacific, and America’s broader commitment to the rules-based multilateral order.²⁰ Taken together, developments on both the east and west of the Pacific Ocean have seen US allies in Asia and the Pacific devise strategies of their own that are intended to anchor a US presence in the region and to *shape* the region’s balance of power in ways that constrain China; a state that is profoundly undemocratic at home and potentially revisionist abroad. There is little doubt these developments have significantly influenced strategic thinking in Canberra. As former secretary of the Department of Foreign Affairs and Trade Peter Varghese explained in 2017, Australia wants to work with others to “shape a balance of power which finds room for China but which also favours the region’s democracies”.²¹

Increasingly key to strategies intended to shape the regional balance of power is the concept of the ‘Indo-Pacific’. Used in place of the term ‘Asia-Pacific’, this label alludes to a recast role for maritime democracies in the Indian and Pacific Oceans.²² In this framing,

14 Scott, ‘US Strategy in the Pacific’, p. 620.

15 See Sanjeev Miglani and Greg Torode, ‘Wary of China’s Indian Ocean Activities, U.S., India Discuss Anti-submarine Warfare’, Reuters, 2 May 2016, <www.msn.com/en-in/news/newsindia/wary-of-chinas-indian-ocean-activities-us-india-discuss-anti-submarine-warfare/ar-BBsvgJc> [Accessed 20 December 2018].

16 See for example Hugh White, ‘Without America: Australia in the New Asia’, *Quarterly Essay*, issue 68 (Melbourne: Black Inc. Books, 2017).

17 Australian Government, *2016 Defence White Paper* (Canberra: Department of Defence, 2016), p. 49.

18 See Roggeveen, *China’s New Navy*, p. 2.

19 See for example John Mearsheimer, ‘The Gathering Storm: China’s Challenge to US Power in Asia’, *The Chinese Journal of International Politics*, vol. 3 (2010), pp. 381-96.

20 For discussion, see Christopher Layne, ‘The US-Chinese Power Shift and the End of the Pax Americana’, *International Affairs*, vol. 94, no. 1 (January 2018).

21 Varghese explained further: “If the alternative to US strategic predominance is Chinese strategic predominance then it is not an attractive one for Australia, for as long as China remains an authoritarian state”. See Peter Varghese, ‘A Contested Asia: What Comes after US Strategic Dominance?’, *2017 Griffith Asia Lecture*, The University of Queensland, Brisbane, 6 September 2017.

22 See Rory Medcalf, ‘Mapping Our Indo-Pacific Future’, Speech delivered by head of Australian National University National Security College, Canberra, 21 May 2018. See also Rory Medcalf, ‘Reimagining Asia: From Asia-Pacific to Indo-Pacific’, *The Asan Forum*, 26 June 2015; David Scott, ‘US Strategy in the Pacific—Geopolitical Positioning for the Twenty-First Century’, *Geopolitics*, vol. 17, no. 3 (2012), pp. 607-28.

maritime democracies—particularly the United States, Australia, Japan, and India—will increasingly work together to maintain balance in the regional order and bed down the principles and values on which the regional order should be based.²³ This cooperation will entail combined naval power projection, and emphasises maritime security cooperation. To underscore the point that the ‘Indo-Pacific’ is about maritime naval cooperation, in May 2018 the US ‘Pacific Command’, based in Hawai‘i, was renamed the ‘Indo-Pacific Command’.

For some, the normative dimensions of the ‘Indo-Pacific’ construct are intended as an explicit contrast to China’s Belt and Road Initiative.²⁴ At the 2018 APEC summit in Port Moresby, US Vice President Mike Pence argued the United States and its allies were a better source of infrastructure finance for countries in the region, explaining: “we don’t drown our partners in a sea of debt, we don’t coerce or compromise your independence ... we do not offer a constricting belt or a one-way road”.²⁵ As concern about a more assertive China grows, the ‘Indo-Pacific’ has increasingly been adopted as a descriptor of the broader region by policymakers in Australia, Japan and the US. For its part, Australia emphasised the Indo-Pacific in Defence White Papers released in 2013 and 2016,²⁶ while Japan launched a ‘Free and Open Indo-Pacific’ strategy in 2016. In 2017, the Trump Administration adopted the same language, developing its own ‘Free and Open Indo-Pacific’ strategy. More recently, Indonesia and ASEAN developed distinct articulations of the Indo-Pacific construct, emphasising the need to mitigate tension in the region. From 2017, Jakarta promoted an ‘Indo-Pacific Cooperation Concept’.²⁷ In June 2019 ASEAN leaders issued a statement which similarly envisaged “an Indo-Pacific region of dialogue and cooperation instead of rivalry”, and sought to reaffirm “ASEAN centrality as the underlying principle for promoting cooperation in the Indo-Pacific”.²⁸

The renewed contest for influence in the Indo-Pacific has seen a frenzy of diplomatic activity in Pacific Island countries, the likes of which has not been seen since the end of the Cold War. New Zealand increased its aid budget by 30 per cent (an increase of more than NZ\$700 million over four years) as part of a ‘Pacific re-set’.²⁹ Wellington also

23 See Hall, ‘The Case for a Free and Open Indo-Pacific’. See also John Hemmings (ed.), *Infrastructure, Ideas and Strategy in the Indo-Pacific* (London: Henry Jackson Society, 2019).

24 Rory Medcalf, for example, argues: “Today we are seeing the great contest of ideas in the mental maps of Asia can be simplified to the big two: China’s Belt and Road versus the Indo-Pacific, championed by Japan, India, Australia and gradually, as it gathers its wits, the United States”. Rory Medcalf, ‘China and the Indo-Pacific: Multipolarity, Solidarity and Strategic Patience’, Paper delivered for ‘Grands enjeux stratégiques contemporains’, Sorbonne University, Paris, 12 March 2018.

25 Charissa Yong, ‘APEC Summit: Pence Warns Indo-Pacific Region Against China’s “Debt Diplomacy”, Says US Offers “Better Option”’, *The Straits Times* (Singapore), 17 November 2018, <www.straitstimes.com/world/united-states/pence-slams-china-says-us-offers-countries-better-option> [Accessed 20 December 2018].

26 The 2013 Australian Defence White Paper, for example, explained that “a new Indo-Pacific strategic arc is beginning to emerge, connecting the Indian and Pacific Oceans through Southeast Asia”. Department of Defence, *2013 Defence White Paper* (Canberra: Australian Government, 2013), p. 7.

27 See Donald Weatherbee, ‘Indonesia, ASEAN, and the Indo-Pacific Cooperation Concept’, *Perspective*, issue 2019, no. 47 (Singapore: Yusof Ishak Institute, 7 June 2019).

28 ASEAN, ‘ASEAN Outlook on the Indo-Pacific’, 23 June 2019, <asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific_FINAL_22062019.pdf> [Accessed 16 September 2019].

29 Craig McCulloch, ‘\$714m to be Pumped into Govt’s “Pacific Reset” Plan’, *Radio New Zealand*, 8 May 2018, <www.rnz.co.nz/news/political/356903/714m-to-be-pumped-into-govt-s-pacific-reset-plan> [Accessed 10 September 2019].

announced fourteen new diplomatic positions across seven Pacific Island countries.³⁰ Japanese Prime Minister Shinzo Abe hosted island leaders and tried to win support for his ‘Free and Open Indo-Pacific’ strategy.³¹ From further afield, French President Emmanuel Macron travelled to the region to declare support for the Indo-Pacific, and explicitly highlighted the need to balance a rising China and to avoid “any hegemony in the region”.³² Even the United Kingdom announced it was diving back into the Pacific, with three new diplomatic posts to be opened in island countries as part of a new ‘Pacific Uplift’ strategy.³³ For its part, Australia announced new diplomatic missions in five island states (the Cook Islands, Marshall Islands, Niue, Palau and Tuvalu) and in French Polynesia. In late 2017 Australia also launched a ‘Pacific step up’, intended to reinforce Australian influence amongst Pacific Island countries.³⁴ Australia’s Pacific step up is considered in greater detail below.

Part 2: A Return to Strategic Denial? Australia’s Pacific Step Up

A renewed contest for influence among the Pacific Island states reveals a truism of international affairs in the region: Pacific islands matter most to powers on the Pacific Rim as a source of potential threat. Australia in particular has long held, but only periodically implemented, a policy of strategic denial—sometimes referred to as Australia’s Monroe Doctrine—aimed at limiting access to islands in the Pacific (particularly in the south-west Pacific) by other, potentially hostile, states.³⁵ Before turning to Australia’s current Pacific step up, it is worth briefly considering the history of Australian strategic priorities in the Pacific Islands.

30 Radio New Zealand, ‘New Zealand Ups Its Diplomatic Presence in Pacific’, 4 December 2018, <www.radionz.co.nz/international/pacific-news/377458/nz-ups-its-diplomatic-presence-in-pacific> [Accessed 20 December 2018].

31 A summit between the Japanese Prime Minister and Pacific Island counterparts is held every three years. At the 2018 PALM Summit, Abe attempted to win support from the Island states for Japan’s ‘Free and Open Indo-Pacific’ Strategy but was not entirely successful. The ‘overview of results’ from the summit reads: “Japan declared its intention to commit more deeply to the stability and prosperity of the region based on the “Free and Open Indo-Pacific Strategy” and the Pacific island countries shared the importance of the basic principles of the strategy and welcomed the strengthening of Japan’s commitment in the Pacific region under the strategy”. Japan Ministry of Foreign Affairs (MOFA), *The 8th Pacific Islands Leaders Meeting (PALM8), Overview of Results* (Tokyo: MOFA, 2018).

32 Jamie Smyth, ‘Macron Pledges to Counter China Power in the Pacific: France to Work with Australia and Allies in Revived “Quad” Project’, *Financial Times*, 2 May 2018, <www.ft.com/content/9b1947be-4de0-11e8-8a8e-22951a2d8493> [Accessed 20 December 2018].

33 Tess Newton-Cain and Anna Powles, ‘A Pivotal Moment? The UK Signals Re-engagement with the Pacific’, *Incline*, 22 April 2018, <www.incline.org.nz/home/a-pivotal-moment-the-uk-signals-re-engagement-with-the-pacific> [Accessed 20 December 2018].

34 Australian Government, *Australian Foreign Policy White Paper: Opportunity, Security, Strength* (Canberra: Department of Foreign Affairs and Trade, 2017), p. 25; see also James Batley, ‘Keep Calm and Step Up: The White Paper’s Message on the Pacific’, *The Interpreter*, Lowy Institute, 27 November 2017, <www.loyyinstitute.org/the-interpreter/keep-calm-and-step-white-paper-message-pacific>.

35 See Merze Tate, ‘The Australasian Monroe Doctrine’, *Political Science Quarterly*, vol. 76, no. 2 (June 1961), pp. 264–84; see also Richard Herr, ‘Regionalism, Strategic Denial and South Pacific Security’, *The Journal of Pacific History*, vol. 21, no. 4 (1986), pp. 170–82.

Limiting Access to the Pacific: A Long Preoccupation

Australia has long had a preoccupation with limiting access to Pacific islands. Driven by a defence imperative, Australian officials have sought to limit potential threats in the maritime approaches to the continent. In the late nineteenth century for example, concerned about German and French designs in the region, Australian politicians implored British authorities to assume control of islands which subsequently became British New Guinea, the British Solomon Islands Protectorate and the New Hebrides (jointly administered with France).³⁶

After World War One, Australia took more direct control of Pacific Island territories, as both Nauru and German New Guinea were transferred to Australian administration. During postwar negotiations held in Paris, Australian Prime Minister Billy Hughes suggested that “strategically the Pacific Islands [like New Guinea] encompassed Australia like fortresses ... the islands were as necessary to Australia as water to a city ... If they were in the hands of a superior power there would be no peace for Australia”.³⁷ Of course during World War Two, a hostile power *did* threaten Australia when Japan invaded islands to the north and east, and from there launched air raids against the Australian mainland.

Following World War Two, it was an Australian strategic priority to shape a stable regional order in the Pacific Islands working closely with other states, particularly the United States and New Zealand. In 1947 Australia convened a meeting of Pacific colonial powers in Canberra which established the South Pacific Commission (SPC); intended to promote cooperation in administering their dependent territories and to provide for the welfare of Pacific islanders. Then, in 1951 Australia signed the ANZUS treaty with the United States and New Zealand, which anchored security cooperation between all three states in the broader Pacific region. A separate naval cooperation arrangement—signed by senior officers from Australia and the United States and known as the 1951 ‘Radford-Collins’ agreement—set out areas of responsibility for protecting maritime trade (with Australia deemed responsible for the south-west Pacific).³⁸ This agreement became in effect an ancillary arrangement to the ANZUS treaty.

The postwar establishment of the United Nations saw a wave of decolonisation the world over. During the 1950s and 1960s, however, successive Australian governments tried to ‘hold back the tide’ of decolonisation in the South Pacific, worried that island territories would not make viable nation-states and that independence may present a security

36 Of course, other great powers were interested in Pacific islands. For its part, Germany took control of Samoa, German New Guinea and the Micronesian islands to the north of New Guinea. France annexed New Caledonia and the island groups that make up French Polynesia (and with Britain jointly administered New Hebrides). By the close of the nineteenth century, the United States had also become a Pacific power, after annexing Hawaii and gaining control over Guam and the Philippines during the 1898 war with Spain. United States’ interest in the Pacific Ocean was significantly influenced by the naval strategist Alfred Mahan, who argued the United States ought to annex Hawaii in order to exercise control over the central Pacific Ocean, and to mitigate against the possibility that China may at some point “burst her barriers eastward”. See: Alfred Thayer Mahan, ‘Needed as a Barrier; To Protect the World from an Invasion of Chinese Barbarism’, *New York Times*, 1 February 1893, p. 5.

37 Cited in Norman Harper, *A Great and Powerful Friend: A Study of Australian American Relations between 1900 and 1975* (St Lucia: University of Queensland Press, 1987), p. 30.

38 See Andrew Brown, ‘The History of the Radford-Collins Agreement’, *Semaphore*, issue 15, November 2007, Sea Power Centre—Australia, Canberra. See also Dan Halvorson, ‘Reputation and Responsibility in Australia’s 2003 Intervention in the Solomon Islands’, *Australian Journal of International Affairs*, vol. 67, no. 4 (2013), pp. 439–55.

threat to Australia.³⁹ Cabinet ministers seriously debated assuming responsibility for nearby British territories and fusing them into an Australian-administered 'Melanesian Federation'.⁴⁰ A desire for continuing control was clearly driven by Australia's own security concerns. In 1954, a senior official at the Department of External Affairs described Australian policy in the islands as being: "to exert dominant political influence in the area with a view to maintaining Australian security behind a peripheral screen of islands".⁴¹

During the 1960s and 1970s Australia considered moves toward decolonisation in the South Pacific firmly in the context of the Cold War. Again it was clear that "great power politics, not concern for the welfare of local peoples, drove this renewed interest".⁴² In 1962 US Secretary of State Dean Rusk explained to counterparts in Canberra that "not one wave of the Pacific should fall under Communist influence".⁴³ In 1963 an ANZUS study group—comprising officials from Australia, Britain, New Zealand and the United States—concluded that full independence was not likely to be viable for smaller Pacific territories, and for larger islands "where independence is the final solution the greatest care should be taken to ensure that the maintenance of security in the area will not be placed in jeopardy after the transfer of power".⁴⁴ Thus ANZUS powers sought to maintain control over the Pacific's regional security order into the post-independence era.

During the 1970s and '80s, as a growing number of Pacific Island states did gain independence, ANZUS states provided financial support for regional institutions in order to maintain privileged relationships with newly-formed island governments. Australia and New Zealand were, for example, the only metropolitan powers admitted to join the South Pacific Forum when it was formed in 1971 (now the Pacific Islands Forum). In lieu of formal defence pacts, Australian policymakers argued that funding regional cooperation in the Pacific was a means of maintaining "a favourable strategic posture in the face of Soviet and Chinese approaches to the new states of the region".⁴⁵ During the late 1970s a coherent policy emerged of funding regional aid programs, complemented by bilateral aid, as a means of "ensuring that the Soviets could not 'buy' their way into the South Pacific".⁴⁶ This policy was dubbed 'strategic denial', and constituted Australia's South Pacific contribution to the United States' broader containment policy toward the USSR.⁴⁷

39 Christopher Waters, 'Against the Tide: Australian Government Attitudes to Decolonisation in the South Pacific, 1962-1972', *The Journal of Pacific History*, vol. 48, no. 2 (2013), pp. 194-208.

40 See David Goldsworthy, 'British Territories and Australian Mini-Imperialism in the 1950s', *Australian Journal of Politics and History*, vol. 41, no. 3 (1995), pp. 356-72.

41 Ibid., cited p. 356.

42 See Waters, 'Against the Tide', p. 197.

43 Ibid., cited p. 197.

44 Ibid., study group report cited p. 199.

45 Greg Fry, 'Regionalism and International Politics of the South Pacific', *Pacific Affairs*, vol. 54, no. 3 (1981), pp. 455-84.

46 Herr, 'Regionalism, Strategic Denial and South Pacific Security', pp. 170-82.

47 Funding regional cooperation in order to mitigate the influence of external powers was put to the test during a so-called 'Russian scare' of 1976. When Australia rejected a request from Tonga for finance to expand the country's international airport, Tonga proceeded to establish diplomatic relations with the Soviet Union. Reports also surfaced that Tonga was considering offering the Soviet Union a fisheries fleet base in return for support to expand the airport. This provoked an immediate response from Canberra. Not only did Australia agree to finance construction works at the international airport, but Australia increased its overall aid to the Pacific Islands "by a factor of four"; see *ibid.*, p. 175. See also John Dorrance, 'The Soviet Union and the Pacific Islands: A Current Assessment', *Asian Survey*, vol. 30, no. 9 (1990), pp. 908-25.

This version of strategic denial in the Pacific lasted until the end of hostilities between the US and the USSR in the late 1980s.

The close of the Cold War saw something of an interregnum as, for a period, major powers neglected to pay close attention to the Pacific Islands. Indeed in the early 1990s there was significant concern that, in the absence of strategic interest in the Pacific, aid to the region would stall, and Pacific islands would ‘fall off the map’. As it was, the United States *did* close its aid offices in the South Pacific in the 1990s. To be sure, during this time Pacific islands were still afflicted by significant conflict—including a civil war in Bougainville and major unrest in the Solomon Islands—but these security threats were in the main seen as local struggles. While Australia and New Zealand both remained concerned that ‘fragile’ or ‘unstable’ states in the region may be a concern for their national interests (and maintained aid to the region), during this period security issues in the Pacific tended not to be seen through the prism of global geopolitics. A possible exception is the 2003 Australian-led military intervention in Solomon Islands, which some would characterise as a contribution—in Australia’s ‘area of responsibility’—to the United States’ global ‘War on Terror’.⁴⁸

Shoring up Australian Influence in the Pacific, and Limiting China’s

Early in the twenty-first century, even while Pacific islands figured relatively less in global security affairs, Australia’s security goals in the region remained similar to what they always had been.⁴⁹ Australia’s 2016 Defence White Paper, for example, committed Australia to work “to limit the influence of any actor from outside the [Pacific] region with interests inimical to our own”.⁵⁰ This was a continuation of a long-held “quasi-Monroe Doctrine in the Pacific”.⁵¹ Australia’s 2017 Foreign Policy White Paper explained that China was challenging US predominance in the Indo-Pacific, and surmised that China would “seek to influence the region to suit its own interests”.⁵² While not explicitly linking Australian policy in the Pacific Islands with the rise of China, the White Paper indicated that Australia would ‘step up’ and “engage with the Pacific with greater intensity and ambition”.⁵³ By this time Australia was facing pressure from the United States to help counter the influence of China in the South Pacific.⁵⁴ Analysts in Canberra were also

48 For discussion, see Joanne Wallis and Michael Wesley, ‘Unipolar Anxieties: Australia’s Melanesia Policy after the Age of Intervention’, *Asia and the Pacific Policy Studies*, vol. 3, no. 1 (2016), p. 29. For pertinent discussion on Australia’s ‘area of responsibility’ in the South Pacific, see Halvorson, ‘Reputation and Responsibility in Australia’s 2003 Intervention in the Solomon Islands’, pp. 439-55.

49 As Australia’s 2013 Defence White Paper explained: “Australia seeks to ensure that our neighbourhood does not become a source of threat to Australia and that no major power with hostile intentions establishes bases in our immediate neighbourhood from which it could project force against us”. Australian Government, 2013 *Defence White Paper*, pp. 25.

50 Australian Government, 2016 *Defence White Paper*.

51 James Batley, ‘Review: Safeguarding Australia’s Interests through Closer Pacific Ties’, *The Interpreter*, Lowy Institute, 27 April 2018, <www.lowyinstitute.org/the-interpreter/review-safeguarding-australia-s-security-interests-through-closer-pacific-ties>.

52 Australian Government, 2017 *Australian Foreign Policy White Paper: Opportunity, Security, Strength* (Canberra: Department of Foreign Affairs and Trade, 2017), p. 26.

53 *Ibid.*, p. 101.

54 Australia had “for some time tried to calm US anxieties about China in the Pacific ... [a] region where Chinese attention seems still rather distracted and uncoordinated”, nonetheless the United States remained suspicious that “any decline in Canberra’s influence in the South Pacific constitutes a direct gain for China”, See Wallis and Wesley, ‘Unipolar Anxieties’, p. 35.

worried that Chinese aid could undermine Australia's long-held status as pre-eminent aid donor to island states.⁵⁵ Even more pointedly, they were concerned that Chinese infrastructure projects—ports, airports and telecommunications—might constitute 'dual use' investments which might serve as the "bridgehead for a threatening presence in years to come".⁵⁶

During 2018, Australian politicians expressed growing concern about Chinese aid to the South Pacific, particularly for infrastructure projects, arguing it might not meet 'appropriate standards' and concessional loans to island governments might constitute 'debt-traps' that could undermine Pacific Island sovereignty, or worse, serve as a pretext for China to establish a military base in the region.⁵⁷ Throughout the year Australian journalists wrote a series of reports that China was 'considering' a military base in the South Pacific—including potentially in Papua New Guinea,⁵⁸ Solomon Islands,⁵⁹ Vanuatu,⁶⁰ Fiji,⁶¹ Samoa⁶² and even French Polynesia.⁶³ Not surprisingly, the possibility of Chinese military base anywhere in the region was pre-emptively opposed by the Australian government. At the 2019 Shangri-La Dialogue—an annual Asia security summit held in Singapore—Frances Adamson, Australia's secretary of Foreign Affairs and Trade and former ambassador to China, explained that "any foreign base in our region would not be welcome ... it would have an obvious negative impact on Australia's strategic situation".⁶⁴

55 As Michael Wesley explains, China's engagement in the South Pacific "calls into question Australia's traditional deterrent posture in its northern approaches and the South Pacific: that of being the primary provider of outside support to these often-fragile states"; Wesley, 'Australia's Grand Strategy and the 2016 Defence White Paper', p. 27.

56 Ibid.

57 Australian Foreign Minister Julie Bishop said Chinese loans to island nations could undermine their sovereignty if they struggled to repay their debts, and suggested Chinese-funded projects "in our sphere of influence" ought to meet "appropriate standards". David Wroe, 'Australia Will Compete with China to Protect Pacific Sovereignty, Bishop Says', *Sydney Morning Herald*, 18 June 2018. <www.smh.com.au/politics/federal/australia-will-compete-with-china-to-save-pacific-sovereignty-says-bishop-20180617-p4zm1h.html> [Accessed 20 December 2018].

58 Paul Maley and Primrose Riordan, 'PNG Port Plan Stokes Fears of China Military Build-Up', *The Australian*, 28 August 2018, <www.theaustralian.com.au/national-affairs/png-port-plan-stokes-fears-of-china-military-buildup/news-story/f0fa6fc36a1dbfc8d8acfe2bb4ea2907> [Accessed 20 December 2018].

59 Primrose Riordan and Rowan Callick, 'China's Pacific Investment Push Lands in the Solomon Islands', *The Australian*, 1 May 2018, <www.theaustralian.com.au/national-affairs/foreign-affairs/chinas-pacific-investment-push-lands-in-solomon-islands/news-story/9c85024e3245ed8e163763c15ab0d812> [Accessed 20 December 2018].

60 David Wroe, 'China Eyes Vanuatu Military Base in Plan with Global Ramifications', *Sydney Morning Herald*, 9 April 2018, <www.smh.com.au/politics/federal/china-eyes-vanuatu-military-base-in-plan-with-global-ramifications-20180409-p4z8j9.html> [Accessed 20 December 2018].

61 Primrose Riordan, 'Australia Beats China to Fiji Base', *The Australian*, 7 September 2018, <www.theaustralian.com.au/national-affairs/defence/australia-beats-china-to-funding-fiji-base/news-story/60d05ca8eb2bec629080c2c844255bbd> [Accessed 20 December 2018].

62 Rory Callinan, 'China's Samoa Plan a Concern', *The Australian*, 7 September 2018, <www.theaustralian.com.au/national-affairs/foreign-affairs/chinas-plan-to-develop-samoan-port-a-regional-security-concern/news-story/ede01bfe7ac23d97e2872a3ff6a07368> [Accessed 20 December 2018].

63 David Wroe, 'China Casts Its Net Deep into the Pacific with \$2bn Fish Farm', *Sydney Morning Herald*, 18 May 2018, <www.smh.com.au/politics/federal/china-casts-its-net-deep-into-the-pacific-with-2b-fish-farm-20180518-p4zg69.html> [Accessed 20 December 2018].

64 Cited in Stephen Dziedzic, 'Prime Minister Scott Morrison Pledges \$250 Million for Solomon Islands Infrastructure', *ABC News*, 3 June 2019, <[www.abc.net.au/news/2019-06-03/scott-morrison-pledges-\\$250-million-for-solomon-islands/11172062](http://www.abc.net.au/news/2019-06-03/scott-morrison-pledges-$250-million-for-solomon-islands/11172062)> [Accessed 20 June 2019].

As it was, the only nations that did commit to building military facilities in the South Pacific were Australia and the United States, who announced the joint-development of a naval base at Manus Island in Papua New Guinea. This was seen, at least by some, as further bolstering the United States' 'second island chain' in the western Pacific.⁶⁵ Australia also announced an upgrade for a military base in Fiji.⁶⁶ Australia's military presence in the region looks set to increase significantly, including a new Australian Defence Force mobile training force for the region, and an increase in security spending in Papua New Guinea, Solomon Islands, Vanuatu and Fiji.

Australia's Pacific step up was accompanied by a regional security declaration—the 2018 'Boe Declaration'—which bundled together previous security statements by Pacific Islands Forum leaders and committed island states to developing new national security strategies.⁶⁷ In an apparent reference to Chinese 'debt diplomacy', the declaration asserted the right of Forum states to conduct their affairs "free of external interference and coercion".⁶⁸ In the main, however, the Boe Declaration reflected Pacific Island countries' concern with 'non-traditional' security threats; including issues such as climate change, water security, violence against women, urbanisation, inequality and youth unemployment.⁶⁹ For its part, Australia complemented the Boe Declaration with the announcement of a new Australia-Pacific Security College, and a new Pacific Faculty of Policing at the Australian Institute of Police Management.

During 2018 Australia worked with other states, including the United States, Japan and New Zealand, to outcompete Chinese investment in strategic infrastructure in the Pacific Islands. In mid-2018, for example, Australia blocked the Chinese telecommunications company Huawei from laying an international submarine internet cable that would have

65 Head of the National Security College at the Australian National University, Rory Medcalf, explained the announcement that the Australian and US navies will work with Papua New Guinea on an upgraded base on Manus island was of "big military significance". He argued: "In one move, this could let Australia guard its northern approaches, outflank possible future Chinese bases in the South Pacific, and help Japan and the United States secure an island chain—linking Okinawa, Guam, Palau and Manus—to limit Chinese naval force projection in a crisis". Rory Medcalf, '2018 APEC Summit Possible Turning Point for China's Powerplay in the Pacific', *Australian Financial Review*, 18 November 2018, <www.afr.com/news/economy/2018-apec-summit-possible-turning-point-for-chinas-powerplay-in-the-pacific-20181118-h180y2> [Accessed 20 December 2018].

66 The Blackrock military camp outside Nadi will host a training centre for Fijian soldiers participating in UN Peacekeeping duties and serve as a regional Humanitarian and Disaster Relief Centre.

67 Pacific Islands Forum, *Boe Declaration on Regional Security*, 5 September 2018, <www.forumsec.org/boe-declaration-on-regional-security/> [Accessed 20 December 2018].

68 In part this language reflected the increased attention being paid to Chinese influence and coercion in Australia. In mid-2017 Australian Prime Minister Malcolm Turnbull warned of a "coercive China" at a regional security dialogue in Singapore. See Australian Associated Press, 'Malcolm Turnbull Warns Asian Leaders of a "Coercive China"', *The Guardian*, 3 June 2017, <www.theguardian.com/australia-news/2017/jun/03/malcolm-turnbull-warns-asian-leaders-of-a-coercive-china> [Accessed 16 September 2019]. Subsequently, Australia introduced foreign interference legislation that was widely seen as countering Chinese influence. Introducing the bill to parliament, Turnbull explained: "we will not tolerate foreign influence activities that are in any way covert, coercive or corrupt ... that is the line that separates legitimate influence from unacceptable interference". Malcolm Turnbull, 'Speech Introducing the National Security Legislation Amendment (Espionage and Foreign Interference) Bill 2017', 7 December 2017, <www.malcolmturnbull.com.au/media/speech-introducing-the-national-security-legislation-amendment-espionage-an> [Accessed 16 September 2019].

69 Murray Ackman, Anna Naupa and Patrick Tuimalealiifano, 'Boe Declaration: Navigating an Uncertain Pacific', *The Interpreter*, Lowy Institute, 3 October 2018, <www.loyyinstitute.org/the-interpreter/boe-declaration-navigating-uncertain-pacific>.

linked Papua New Guinea and the Solomon Islands with the Australian mainland.⁷⁰ This intervention also saw Australia outbid Huawei to finance a domestic cable network linking outer islands in the Solomon Islands with the capital Honiara.⁷¹ Together, Australia, Japan, and the United States, also tried to block Huawei from building a domestic submarine cable network in Papua New Guinea, by proposing a “counter-offer” of their own.⁷² However Papua New Guinea, which had already inked a deal with Huawei in 2016, decided to allow the company to continue to build the national network. Papua New Guinea’s minister for state investments, William Duma, described the counter-offer as “a bit patronising”.⁷³ In mid-2018 Australia, the United States and Japan also formed a trilateral partnership intended to mobilise investment in infrastructure in the region, and to ‘foster a free, open, inclusive and prosperous Indo-Pacific’.⁷⁴ Furthermore, in late 2018 Australia announced its own \$2 billion Australian Infrastructure Financing Facility for the Pacific.⁷⁵ The Facility became operational in July 2019.

In addition to a focus on infrastructure, Australia’s Pacific step up focused on *maritime* security. In late 2018 Australia announced a new large naval ship that will operate ‘semi-permanently’ in the south-west Pacific and help respond to disasters.⁷⁶ Australia would also continue to implement a AU\$2 billion Pacific Maritime Security Program, which would see increased aerial surveillance of the Pacific Ocean and twenty-one new military patrol boats donated to island states. The first of these patrol boats was delivered to Papua New Guinea in December 2018. Australia also revealed plans for a new Pacific ‘Fusion Centre’ that would collate information from various security and fisheries agencies across Pacific Island countries to provide more comprehensive ‘maritime domain awareness’.

Australia’s Pacific step up can be understood as an attempt at strategic denial in the Pacific Islands. There is little doubt Australia is looking to shore up relations with island governments, while limiting China’s influence. Furthermore, Australia’s step up can be understood as a regional contribution to geographically broader ‘Free and Open Indo-Pacific’ strategies, adopted by the United States and allies as a means of balancing China.

70 Liam Fox, ‘Australia, Solomon Islands, PNG Sign Undersea Cable Deal Amid Criticism from China’, *ABC News*, 12 July 2018, <www.abc.net.au/news/2018-07-12/australia-solomon-islands-png-sign-undersea-cable-deal/9983102> [Accessed 20 December 2018].

71 Malcolm Turnbull, ‘Deepening Cooperation between Australia and Solomon Islands’, *Press Release*, 13 June 2018, <www.malcolmturnbull.com.au/media/deepening-cooperation-between-australia-and-solomon-islands> [Accessed 20 December 2018].

72 Reuters, ‘U.S. to Counter Chinese Internet Bid in Papua New Guinea: Diplomat’, 28 September 2018, <www.reuters.com/article/us-pacific-debt-huawei-tech/u-s-to-counter-chinese-internet-bid-in-papua-new-guinea-diplomat-idUSKCN1M800X> [Accessed 20 December 2018].

73 Cited in Danielle Cave, ‘Australia and Huawei in PNG: More Than Too-Little-Too-Late Diplomacy’, *The Strategist*, Australian Strategic Policy Institute, 27 November 2018, <www.aspistrategist.org.au/australia-and-huawei-in-png-more-than-too-little-too-late-diplomacy/>.

74 United States Embassy (Canberra), ‘The US, Australia and Japan Announce Trilateral Partnership on Infrastructure Investment in the Indo-Pacific’, *Press Release*, 30 July 2018, <au.usembassy.gov/the-u-s-australia-and-japan-announce-trilateral-partnership-on-infrastructure-investment-in-the-indopacific/> [Accessed 20 December 2018].

75 Jane Norman, ‘Scott Morrison Reveals Multi-Million-Dollar Infrastructure Development Bank for the Pacific’, *ABC News*, 8 November 2018, <www.abc.net.au/news/2018-11-08/scott-morrison-announces-pacific-infrastructure-bank/10475452> [Accessed 20 June 2019].

76 David Wroe, ‘Christopher Pyne Promises New Ship in “Pivot” to the South Pacific’, *Sydney Morning Herald*, 9 November 2018, <www.smh.com.au/politics/federal/christopher-pyne-promises-new-ship-in-pivot-to-the-south-pacific-20181108-p50es8.html> [Accessed 20 December 2018].

Even while Australia, and other states, express renewed designs on the Pacific Islands as part of their own regional geostrategy, it is important to acknowledge that Pacific Island countries have their own interests, and their own security concerns. These are considered in part three of this paper.

Part 3: Asserting Island Interests in the ‘Blue Pacific’

There is little doubt that the recent resurgence of interest in the Pacific is driven by strategic calculations. Pacific islands, and their governments, again ‘matter’ to states on the Pacific Rim in the context of renewed competition between the United States and China. This tendency—to neglect Pacific islands until national interests are piqued—has long been decried by Pacific leaders and scholars.⁷⁷ The reality is, of course, that Pacific Island states matter in their own right. Furthermore, Pacific Island countries, long adept at navigating great power competition, have exploited renewed interest in their region to demand action to tackle *their own* security concerns, particularly those associated with climate change.

‘Aqua Nullius’: The Pacific Ocean as Maritime Theatre for Power Projection

A tendency to view the Pacific Ocean as a maritime ‘theatre’ of competition is not a new phenomenon. For centuries major powers have struggled for naval supremacy in the Pacific. Pacific islanders have seen the Spanish, British, French, Dutch, Germans, Japanese and Americans all vie for control of their ocean, and these contests have indelibly marked the region, none more so than World War Two. In the decades following the war, strategic thinkers continued to view the islands through a lens of maritime power-projection. When, for example, Kiribati negotiated a fisheries access agreement with the Soviet Union in 1985, this rang alarm bells in Washington, Canberra and Wellington, where officials worried it might lead to a land-base, allowing the USSR a military presence in the region.⁷⁸ Significant diplomatic pressure was exerted on Kiribati to try to head off a deal, which angered Kiribati President Ieremia Tabai, who denied a Soviet base would ever happen, and accused Western states of neo-colonial behaviour.⁷⁹

77 As the late Tongan scholar Epeli Hau'ofa said of Australia and New Zealand: “these countries display a strong chameleonic tendency; they have a habit of dropping in and out of the South Pacific region whenever it suits their national self-interests”. Epeli Hau'ofa, ‘The Ocean in Us’, *The Contemporary Pacific*, vol. 10, no. 2 (1998), p. 400.

78 Jeff Willis, ‘When the “Tuna Wars” Went Hot: Kiribati, the Soviet Union, and the Fishing Pact That Provoked a Superpower’, *Pacific Dynamics: Journal of Interdisciplinary Research*, vol. 1, no. 2 (2017), p. 273.

79 Tabai explained: “The main concern I see [coming from other nations regarding the Russian fishing pact] is that we are so poor that we will allow the Soviets to establish a base in Kiribati. Well, we are not so poor as to lack principles ... We are not pro-Russian, we are pro-Kiribati and we believe in our capacity to pursue our national interests to achieve self-reliance. The colonial mentality is still around—that we are an appendage of the colonial countries ... Since 1979 we have ceased to belong to any other nation. We are only 64,000 people but we don't belong to anyone ... I have told these countries that we will continue to pursue our national interests”. *Ibid.*, cited on p. 275.

In recent years, analysts on the Pacific Rim have again come to see Pacific islands through the lens of maritime competition. It is in this vein that Australian journalists warn that island-nations like Vanuatu might serve “as a stationary aircraft carrier and a permanent port” that would “allow Beijing to project its naval forces into the Pacific”.⁸⁰ Strenuous denials from the Vanuatu government that it would ever consider a military base with China, or anyone else (similar to denials made by the Kiribati government a generation earlier), have done little to dampen speculation that Vanuatu, or other island nations, might become prey to Chinese coercion.

Again viewing the Pacific region through the lens of great power competition exacerbates a tendency to see Pacific islands as small and isolated—as pawns in a naval ‘great game’. However, Pacific Island states are powerful in their own right. Island nations have sovereign rights over a huge swathe of the Earth’s surface. It just so happens that much of their domain consists of the sea. In the Western cultural imagination, the ocean is typically conceived as a blue ‘void’ between the terrestrial spaces which ‘really matter’.⁸¹ Over centuries, norms of international law have been established which hold that nation states have exclusive sovereignty tied to defined areas *on land*, or in waters immediately adjacent to land masses. By contrast, the open ocean is owned by no-one. The ocean, and particularly the ‘high seas’, has been imagined as a space across which navies might roam, and merchant ships might travel unhindered, and over which no-one holds exclusive control. The ocean is seen as an ‘unpeopled’ space, a form of *aqua nullius*.⁸²

Key thinkers from the Pacific have long sought to explain that Pacific islanders have a different conception of their place in the world, one that is defined by connections across the sea, and by the vastness of the ocean itself. As the Tongan philosopher Epeli Hau’ofa explains, Pacific islanders are amongst the ‘proportion of Earth’s total human population who can truly be referred to as “Oceanic peoples”’.⁸³ He suggests Pacific islanders developed an oceanic cultural heritage, based on centuries of isolation from ‘continental’ cultures, and furthermore that Pacific islanders developed *shared*, pan-oceanic identities, through relationships and trade across the ocean. Differences between Western and Pacific cultural understandings of the ocean are subtle, but profound. Hau’ofa suggests that while “continental men” have tended to see only “small islands in a far sea”, Pacific peoples in fact live in a vast and interconnected “sea of islands”.⁸⁴

80 David Wroe, ‘How a Tiny Group of Islands near Australia Figure in Beijing’s Redrawing of the Map’, *Sydney Morning Herald*, 9 April 2018, <www.smh.com.au/politics/federal/how-a-group-of-tiny-islands-near-australia-figure-in-beijing-s-redrawing-of-the-map-20180409-p4z8mb.html> [Accessed 20 December 2018].

81 For a detailed discussion of Western social constructions of the ocean, see Phillip Steinberg, *The Social Construction of the Ocean* (Cambridge: Cambridge University Press, 2001).

82 For pertinent discussion, see Elizabeth DeLoughrey, *Routes and Roots: Navigating Caribbean and Pacific Islands Literatures* (Honolulu: University of Hawai’i Press, 2007), pp. 30–41.

83 Hau’ofa, ‘The Ocean in Us’, pp. 403–5.

84 Epeli Hau’ofa, ‘Our Sea of Islands’, in Eric Waddell, Vijay Naidu and Epeli Hau’ofa (eds), *A New Oceania: Rediscovering Our Sea of Islands* (Suva: University of the South Pacific, 1993).

A 'Sea of Islands': Reclaiming the Pacific's Ocean Continent

After World War Two, even as colonial powers sought to shape a regional order that would protect their interests, Pacific islanders sought to gain greater control of regional decision-making and to reclaim a shared identity, as custodians of an oceanic continent.⁸⁵ Indeed, assertion of a regional oceanic identity proved a recurring theme in the decades that followed. As Pacific islanders gained national independence, they also sought to define the *regional* diplomatic agenda. During the 1960s Pacific islanders took greater control of decision-making at the South Pacific Commission, where they had initially been relegated to a triennial 'advisory' conference.⁸⁶ Then, in 1971, Pacific Island leaders established a regional political organisation of their own—the South Pacific Forum—which would become key to collective diplomacy. During the 1970s and '80s, Pacific Island countries worked as a bloc to secure their shared objectives in Oceania. Even in the context of the Cold War, they were able to take on major powers—and prevail. Facing opposition from the United States, Britain and others, they secured recognition of their Exclusive Economic Zones under the UN Convention on the Law of the Sea. Subsequently Pacific Island states also took on Japan, South Korea and Taiwan to ban driftnet fishing in the South Pacific. Taking on the United States (up to and including impounding fishing vessels), they successfully negotiated a regional access agreement for American boats fishing for tuna in their waters.⁸⁷ Much to the consternation of the French, in 1986 they successfully had New Caledonia added to the UN list of non-self-governing territories.

More recently, Pacific leaders have again asserted a pan-oceanic identity, and a willingness to use collective diplomacy strategies to pursue their interests. Since 2009, island states have embraced a 'New Pacific Diplomacy': consisting of shared strategies to pursue Pacific interests in a range of areas, including oceans management, fisheries, climate change, sustainable development, decolonisation, seabed mining, and trade.⁸⁸

85 As Albert Norman wrote in 1949: "Southern Oceania, that Pacific 'continent' which mainly is under water, is unique as a 'reclamation' project. Not an inch of soil will be reclaimed. The task is to reclaim something quite different, something that has been submerged by the chauvinistic policies of Europe ... the peoples inhabiting this submerged 'continent' occupy the higher ground. Separating each 'island' group are the waters of the South Pacific which tend to create the impression that this society is broken up and hopelessly separated from its essential parts. This geographic illusion has been heightened by the occupying European nations who, over the centuries, have 'claimed' for their own the visible peaks of the land. It was thus that the political and meaningless divisions of Europe became arbitrarily superimposed on Oceania ... The first step in 'reclamation' has been to free the land of these bonds, to restore the essential regional viewpoint and unity, to overlook the dividing waters, to see the land and its people as united ... it will be the task of the South Pacific Commission to ... promote the social reclamation of the world's seventh 'continent' and its people"; see Albert Norman, 'The Reclamation of Oceania', *Christian Science Monitor*, 4 June 1949.

86 Greg Fry, 'Regionalism and International Politics of the South Pacific', *Pacific Affairs*, vol. 54, no. 3 (1981), pp. 455-84.

87 For discussion of Pacific collective diplomacy during the Cold War, see Greg Fry, 'International Cooperation in the South Pacific: From Regional Integration to Collective Diplomacy', in Andrew Axline (ed.), *The Political Economy of Regional Cooperation: Comparative Case Studies* (London: Pinter Press, 1994). See also Greg Fry, 'At the Margin: The South Pacific and Changing World Order', in Richard Leaver and James L. Richardson (eds), *Charting the Post-Cold War Order* (Boulder, CO: Westview Press, 1993).

88 For detailed discussion of the New Pacific Diplomacy, see Greg Fry and Sandra Tarte (eds), *The New Pacific Diplomacy* (Suva: University of the South Pacific, 2016). See also Sandra Tarte, 'Regionalism and Changing Regional Order in the Pacific Islands', *Asia and the Pacific Policy Studies*, vol. 1, no. 2 (2014), pp. 312-24.

These strategies have yielded significant successes. Pacific Island states have secured much greater financial returns from their collective sovereign control of tuna resources.⁸⁹ Pacific Island countries lobbied successfully for an ‘Ocean agenda’ as part of the United Nations’ Sustainable Development Goals.⁹⁰ In 2013 Pacific Island states successfully lobbied to have French Polynesia added to the UN list of non-self-governing territories.⁹¹

Island nations have demonstrated they are prepared to leverage their collective oceanic presence, and UN votes, to shape multilateral initiatives that have implications for all states. Most pointedly, Pacific Island countries are leading global efforts to tackle climate change and to protect the world’s oceans. The Marshall Islands patiently fostered, and then ably led, a global ‘High Ambition Coalition’, which secured the historic 2015 Paris Agreement, which is key to global efforts to tackle climate change.⁹² In 2017, Fiji assumed presidency of the UN climate talks. In the same year, Fiji also co-hosted the inaugural UN Ocean Conference, and Fiji’s ambassador to the UN was appointed the UN Special Envoy for the Ocean.

Working Together as the ‘Blue Pacific’

Pacific leaders are looking to build on recent successes of collective diplomacy. To do so they have endorsed a ‘Blue Pacific’ strategy that calls for inspired leadership and a long-term foreign policy commitment to act as one ‘Blue Continent’.⁹³ Samoan Prime Minister Tuilaepa Sailele Malielegaoi explained that the Blue Pacific strategy “aims to strengthen collective action as one ‘Blue Pacific Continent’ by putting ‘the Blue Pacific’ at the centre of the policy making and collective action”.⁹⁴

89 Transform Aqorau, ‘How Tuna is Shaping Regional Diplomacy’, in Greg Fry and Sandra Tarte (eds), *The New Pacific Diplomacy* (Canberra: ANU Press, 2016). See also; Jope Tarai, 2016, ‘The New Pacific Diplomacy and the South Pacific Tuna Treaty’, in Greg Fry and Sandra Tarte (eds), *The New Pacific Diplomacy* (Canberra: ANU Press, 2016).

90 Genevieve Quirk and Quentin Hanich, ‘Ocean Diplomacy: The Pacific Island Countries’ Campaign to the UN for an Ocean Sustainable Development Goal’, *Asia-Pacific Journal of Ocean Law and Policy*, vol. 1 (2016), pp. 68-95.

91 Nic Maclellan, ‘Pacific Decolonisation and Diplomacy in the 21st Century’, in Greg Fry and Sandra Tarte (eds), *The New Pacific Diplomacy* (Canberra: ANU Press, 2016).

92 As former US President Barack Obama put it: “we could not have gotten a Paris Agreement without the incredible efforts and hard work of the island nations”. Barack Obama, ‘Remarks by the President to Leaders from the Pacific Island Conference of Leaders and the International Union for the Conservation of Nature World Conservation Congress’, 1 September 2016, Honolulu, Hawaii, The White House, Office of the Press Secretary, <obamawhitehouse.archives.gov/the-press-office/2016/09/01/remarks-president-leaders-pacific-island-conference-leaders-and> [Accessed 20 December 2018].

93 Pacific Islands Forum, *Forty Eighth Pacific Islands Forum: Forum Communique*, 5-8 September 2017, Pacific Islands Forum Secretariat, Suva.

94 Malielegaoi emphasised the shared cultural heritage of Pacific Island states, joined by their connection to the ocean. He argued: “The Pacific Ocean has provided our island communities their cultural and historical identity and attachment since time immemorial. It has been the major influence in the history of Pacific Island communities. Throughout the region, customary association with the sea forms the basis of present-day social structures, livelihoods and tenure systems and traditional systems of stewardship governing its use. Pacific leaders urge the world to recognise the inseparable link between our ocean, seas and Pacific island peoples: their values, traditional practices and spiritual connections”; in Pacific Islands Forum, ‘The Blue Pacific: Pacific Countries Demonstrate Innovation in Sustainably Developing, Managing, and Conserving Their Part of the Pacific Ocean’, *News Release*, Pacific Islands Forum Secretariat, Suva, 5 June 2017.

In 2018, the Secretary General of the Pacific Islands Forum, Dame Meg Taylor, explained the origins of this ‘Blue Pacific’ concept, arguing it draws on “a rich history of thinking about the possibilities of an Oceania continent”.⁹⁵ She told Australian media that leaders of the Pacific were “embracing a narrative of identity, a narrative of our own strengths, rather than always giving this sentiment that has been articulated for us, that we are just these smatterings of islands in the Pacific and that we are totally incapable of doing anything for ourselves”.⁹⁶ She argued that in the face of climate change and sea-level rise, island states were looking to secure their collective maritime boundaries, and to assert themselves as a collective maritime continent.⁹⁷

Pacific island leaders continue to insist the greatest threat they face is from climate change. For decades they have lobbied for the UN Security Council to recognise that changes to the climate, driven by the burning of fossil fuels, represent a security threat. In recent times, they have called for the appointment of a Special Representative of the UN Secretary General on Climate and Security.⁹⁸ Threats posed to island nations by climate change are multiple, and include more frequent intense cyclones, dying coral reefs, ocean acidification, sea-level rise and coastal inundation.⁹⁹ Ultimately, sea-level rise presents a threat to the territorial integrity of low-lying Pacific Island states—particularly Kiribati, Marshall Islands and Tuvalu. A study commissioned by the US military, published in 2018, found that sea-level rise will make dozens of atoll islands uninhabitable from the middle of this century, as salt-water intrusion undermines access to drinking water.¹⁰⁰ Security officials from Pacific Island states tend to argue climate change is a more likely, and more tangible, risk than those associated with other geopolitical issues; including increased competition between China and the United States.¹⁰¹ Of course this does not

95 “In essence, all of these appeals to Oceania, of who we are, respond to an awareness of the missed potential of our ocean continent, or as [Epeli] Hau’ofa describes it, the way the hoped for era of autonomy following political independence has not materialised. In response they all seek to reframe the region away from the enduring narrative of small, isolated and fragile, to a narrative of a large, connected and strategically important ocean continent”. Dame Meg Taylor, Keynote Address by the Pacific Islands Forum Secretary General Dame Meg Taylor, ‘State of the Pacific’ Conference, Australian National University, Canberra, 8 September 2018, <www.pacificwomensnetwork.com/keynote-address-by-secretary-general-meg-taylor-to-the-2018-state-of-the-pacific-conference/> [Accessed 20 December 2018].

96 Linda Mottram, ‘Australia, Don’t Fail Your Neighbours: Dame Meg Taylor on Climate Change’, *PM*, Radio National, Australian Broadcasting Commission, 10 September 2018.

97 Taylor explained: “Leaders are taking very seriously the demarcation of the maritime boundaries and are making sure all EEZs [Exclusive Economic Zones] are finalised ... There is a determined focus to have that done. It’s not unrealistic. Look, right back in the early days before the formation of the South Pacific Commission, in the [19]40’s, there was an articulation about the ‘seventh continent’. Just because it is water, doesn’t mean it doesn’t have legal boundaries, if we can secure them”. *Ibid.*

98 Climate Diplomacy, ‘A Pacific Perspective on Climate-Security Risks and the UN Security Council—Interview with the President of Nauru’, 4 July 2019, <www.climate-diplomacy.org/news/pacific-perspective-climate-security-risks-and-un-security-council-interview-president-nauru> [Accessed 20 June 2019].

99 For discussion, see Wesley Morgan, ‘Climate Change, at the Frontlines’, *The Interpreter*, Lowy Institute, 20 September 2018, <www.lowyinstitute.org/the-interpreter/climate-change-frontlines>.

100 Curt Storlazzi, Stephen Gingerich, Ap van Dongeren, Olivia Cheriton, Peter Swarzenski, Ellen Quataert, Clifford I Voss, Donald Field, Hariharasubramanian Annamalai, Greg Piniak and Robert McCall, ‘Most Atolls Will be Uninhabitable by the mid-21st Century Because of Sea-Level Rise Exacerbating Wave Driven Flooding’, *Science Advances*, vol 4. no. 4 (2018), pp. 1

101 As the commander of Fiji’s military, Rear Admiral Viliame Naupoto, told the 2019 Shangri La Dialogue in Singapore: “I believe there are three major powers in competition in our region ... there is the US, it has always been there, forever. There is China, which has been a loyal friend for many of us. The third competitor is climate change. Of the three, climate change is winning, and climate change exerts the most influence on countries in our part of the world. If there’s any competition, it’s with climate change”. Cited in Peter Hartcher, ‘Cool Rationality Replaced by US-China Fight Club’, *Sydney Morning Herald*, 4 June 2019, <www.smh.com.au/world/asia/cool-rationality-replaced-by-us-china-fight-club-20190603-p51tvu.html> [Accessed 20 June 2019].

preclude Pacific administrations from expressing concern about geostrategic issues. Palau President Tommy Remengesau, for example, has repeatedly chided the US and Australia on climate policy—claiming that when President Trump “decided to walk away from the Paris Agreement, it also felt like he was walking away from Palau”,¹⁰² and that Australia ought to “take a more active role as a big brother in this fight [against climate change]”.¹⁰³ However, Remengesau has also suggested Palau would make a “natural ally” in what he describes as “the Pentagon’s new Indo-Pacific strategy, a plan to counter Chinese expansionism and its militarisation of islands in the region”.¹⁰⁴ He also suggested the US might help Palau to modernise its airports and construct “a fully functioning maritime port”.¹⁰⁵

In 2018, as they considered a regional security declaration for the Pacific Islands Forum, island leaders were adamant it should emphasise challenges they face from global warming. As it was, the Boe Declaration—endorsed by Pacific Island nations and Australia and New Zealand—reaffirmed climate change as the “single greatest threat to the livelihoods, security and well-being of peoples of the Pacific” and reaffirmed a commitment to “progress implementation of the Paris Agreement”.¹⁰⁶ For decades, Pacific Island countries have called for global warming to be limited to 1.5°C above the long-term average. With the best available science indicating that warming beyond this threshold would critically threaten island futures, island leaders and ambassadors widely adopted the slogan: “1.5 to stay alive”. In 2018, the Intergovernmental Panel on Climate Change (IPCC) indicated that keeping global warming to below 1.5°C would require major transformation in the global economy, and most pointedly, a rapid global phase out of coal-fired power.¹⁰⁷ At present however, global emissions continue to rise. Greater ambition is needed from all states; for even if national pledges to reduce emissions—made under the 2015 Paris Agreement—are met, the planet’s average temperature is set to rise by more than 3°C by the end of the century.¹⁰⁸

At present, most Pacific Rim powers are doing little to tackle the Pacific’s key security threat. The US has announced its intention to withdraw from the Paris Agreement; China is the world’s largest coal producer; Japan is promoting coal-fired power; and Australia is the world’s largest coal exporter, and is planning to increase coal exports. Australia is also not on track to meet its Paris Agreement emissions reduction targets (indeed

102 Tommy Remengesau, ‘President of Palau: If the US Won’t Lead, We All Will’, Guest blog post by President Tommy Remengesau of Palau, Earthjustice, 2 June 2017, <earthjustice.org/blog/2017-june/president-of-palau-if-u-s-won-t-lead-we-all-will> [Accessed 16 September 2019].

103 Agence France-Presse (AFP), ‘Palau tells Australia to Step Up on Climate Change’, 2 August 2019, <www.news24.com/Green/News/palau-tells-australia-to-step-up-on-climate-change-20190802> [Accessed 16 September 2019].

104 Tommy Remengesau, ‘Pacific Defense Pact Renewal Vital to the US Amid Rising Tension with China’, 17 May 2019, *The Hill*, <thehill.com/blogs/congress-blog/foreign-policy/444291-pacific-defense-pact-renewal-vital-to-the-us-amid-rising> [Accessed 16 September 2019].

105 Ibid.

106 Pacific Islands Forum, *Boe Declaration on Regional Security*.

107 See IPCC, ‘Chapter 2: Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development’, in *Global Warming of 1.5 °C: An IPCC Special Report on the Impacts of Global Warming of 1.5 °C above Pre-industrial Levels and Related Global Greenhouse Gas Emission Pathways, in the Context of Strengthening the Global Response to the Threat of Climate Change, Sustainable Development, and Efforts to Eradicate Poverty* (IPCC, 2018), pp. 93–174.

108 UN Environment, *Emissions Gap Report 2018* (New York: United Nations Environment Programme, 2018).

domestic emissions are rising instead).¹⁰⁹ A failure to tackle climate change does little to endear Pacific Rim powers to island administrations. Dame Meg Taylor has explained for example that Australia's promotion of coal-fired power is out of step with other Pacific Islands Forum members and places the "wellbeing and potential" of the region at risk.¹¹⁰ Tuvalu's Prime Minister Enele Sopoaga has warned explicitly that Australia's climate policies risk undermining its Pacific step up.¹¹¹ Not all major powers are failing to take up the climate challenge however. The United Kingdom has legislated to become a net-zero emissions economy by 2050, and is bidding to host UN climate negotiations in 2020. The UK has made clear that pursuing global climate action is a "central plank" of its renewed engagement in the Pacific.¹¹² British ambassadors to the region have joined island states to call for countries worldwide to "follow through on their commitments under the Paris Agreement, particularly on cutting emissions".¹¹³

The return to naval competition in the Pacific Ocean means that Pacific Island countries again matter to great powers. Nations on the Pacific Rim are looking to cement existing security relations with island states or to develop new ones. However, it remains problematic that many states are stepping up in the Pacific in response to their own security concerns, while not addressing key security concerns of island nations themselves. Most pointedly, a tendency to see island states as a possible source of third-party military threat, without taking steps to address climate change—which is clearly seen by island leaders as a first order security priority—risks undermining cooperation with strategically important states.

Conclusion

For decades, if not centuries, world powers have tended to view the Pacific Ocean as a maritime theatre across which great power competition might be played out. Certainly, policymakers in Australia have long considered the Pacific Ocean as a potential source of military threat (distant though that threat may be). In that light, Pacific islands have

109 Ibid., p. 8.

110 Australia is the largest, most populated and wealthiest member state of the Pacific Islands Forum. Taylor's comments cited in Nicole Hasham, "'Truly Desperate Times': Pacific Nations Despair at Australia's Climate Action Stasis", *Sydney Morning Herald*, 10 September 2018, <www.smh.com.au/politics/federal/truly-desperate-times-pacific-nations-despair-at-australia-s-climate-action-stasis-20180910-p502uq.html> [Accessed 20 December 2018].

111 Mr Sopoaga explained: "We cannot be regional partners under this step-up initiative—genuine and durable partners—unless the government of Australia takes a more progressive response to climate change", cited in Stephen Dziedzic, 'Tuvalu Prime Minister Enele Sopoaga Says Australia's Climate Change Inaction Undermines Its "Pacific Pivot"', *ABC News*, 4 December 2018, <www.abc.net.au/news/2018-12-04/tuvalu-pm-says-australian-pacific-pivot-undermined-by-emissions/10579424> [Accessed 20 December 2018].

112 See UK Foreign and Commonwealth Office, 'Oceans Apart? The UK and the Pacific: Partnership & Shared Values', Address by the UK High Commissioner to New Zealand Ms Laura Clarke, to the New Zealand Institute of International Affairs, 2 July 2019, <www.gov.uk/government/speeches/oceans-apart-the-uk-the-pacific-partnerships-shared-values> [Accessed 5 July 2019].

113 As the British High Commissioner to Fiji, Melanie Hopkins, explained in a video message in June 2019: "Through rising sea levels, a number of countries in the Pacific Ocean will become uninhabitable between 2050 and 2075 ... for the majority of countries they need to realise that for these islands it's a question about survival of peoples ... Principally we need to see countries following through on their commitments under the Paris Agreement, particularly on cutting emissions". UK Foreign and Commonwealth Office, Twitter post, 4 July 2019, <twitter.com/uk/status/1146712157159137285> [Accessed 5 July 2019].

been considered a “peripheral screen” behind which Australia might maintain its own national security.¹¹⁴ Today, as China challenges the naval predominance of the United States in the western Pacific Ocean, Australian analysts argue the South Pacific is “now a theatre of strategic competition, whether we like it or not, for the first time since the 1940s”.¹¹⁵ However, much has changed in the decades since World War Two. Then, thousands of islands across the Pacific Ocean were administered as far flung posts of colonial empires. Today, the Pacific Ocean is home to fourteen sovereign states who have their own national interests, and independent foreign policy.

Furthermore, Pacific Island nations are working together, as an ocean continent, to pursue their shared interests on the global stage. Island leaders have formally endorsed a Blue Pacific strategy, which builds on a regional oceanic identity as the basis for pursuing collective diplomacy.¹¹⁶ Far from being small and insignificant, Pacific Island nations are sovereign across a vast swathe of the world’s surface. They possess significant resources, including control of the world’s largest tuna fishery and a significant voting bloc at the United Nations. Over the decades since decolonisation Pacific Island countries have steadily reclaimed their pan-oceanic identity and doggedly pursued their interests through collective action. Despite opposition from major powers, they have had many successes, including recognition of their exclusive economic zones under the UN Law of the Sea, and securing greater economic returns from tuna caught in their waters. Furthermore, island states now exercise *global* leadership to tackle multilateral challenges, such as limiting climate change and protecting the world’s oceans.

Renewed geostrategic competition in the Pacific Ocean presents an historic opportunity to engage with Pacific Island countries on their own terms. If other powers want island nations to endorse their normative visions for the future of the Indo-Pacific they will need to take the security concerns of island states seriously. Here a key challenge will continue to be climate policy. Pacific Island states have long lobbied for recognition of climate change as a security threat. In 2018, island leaders again reaffirmed climate change as the “single greatest threat” to the region.¹¹⁷ It is not hard to see why. A warming climate will entail catastrophic impacts for Pacific Island nations; threatening the very survival of low-lying countries. Whilst Pacific Rim powers are investing resources in geostrategic competition, continued failure to seriously address climate change will likely undermine closer alignment between the Blue Pacific and other visions for the broader Indo-Pacific. This may change, however. If, for example, strategic visions for the Indo-Pacific were to encompass multilateral action to tackle climate change, or to bolster rules of the global climate regime, they may be more warmly embraced by island countries.¹¹⁸ In any case, it

114 See Goldsworthy, ‘British Territories and Australian Mini-Imperialism in the 1950s’, pp. 356-72.

115 Medcalf, ‘Mapping Our Indo-Pacific Future’.

116 Pacific Islands Forum, *Forty Eighth Pacific Islands Forum: Forum Communiqué*.

117 Pacific Islands Forum, *Boe Declaration on Regional Security*.

118 While action on climate change is not a key focus for the US Free and Open Indo-Pacific strategy, this could change. A Democrat administration in the White House in 2020 would likely see the United States return to a position of global leadership on climate change. Democrat frontrunner Joe Biden has indicated that his presidency would “lead a major diplomatic push to raise the ambitions of countries’ climate targets” — and has specifically raised concern about China’s support for coal-fired power in Asia through its Belt and Road Initiative. See: Megan Darby, ‘Democrat Frontrunner Biden Says He Would Stop China Spreading Coal around the World’, *Climate Home News*, 5 June 2019, <www.climatechangenews.com/2019/06/05/democrat-frontrunner-biden-says-will-stop-china-spreading-coal-around-world/> [Accessed 16 September 2019].

is clear that island administrations face more options than the wholesale embrace of one or the other of regional strategies articulated for them by policymakers in Washington or Beijing (or in any of the Pacific Rim states). At the 2020 Pacific Islands Forum, island leaders will consider a '2050 Strategy for the Blue Pacific Continent'.¹¹⁹ Through this process, they look set to continue to assert uniquely Pacific visions for international relations in the Pacific Ocean. One thing is for certain, the days when major powers could take Pacific Island countries for granted are long gone.

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¹¹⁹ See Pacific Islands Forum, *Fiftieth Pacific Islands Forum: Forum Communique*, Funafuti, Tuvalu, 13-16 August 2019, Pacific Islands Forum Secretariat.

The Pacific Islands in Japan's 'Free and Open Indo-Pacific': From 'Slow and Steady' to Strategic Engagement?

H. D. P. Envall

Japan's past engagement of the Pacific Islands, primarily developmental and generally low-key, is viewed as having been "slow and steady". However, as it has developed its 'Free and Open Indo-Pacific' (FOIP) strategy, Japan has begun to dispense with this quiet approach and now adopts a more strategic set of policies towards the Pacific Islands. Japan's shift in style and the implications of a more contested Indo-Pacific region raise some important questions for Japan's future engagement of the region, especially in terms of how the Pacific Islands fit within the FOIP vision. Indeed, as FOIP evolves, it is likely that the past approach will continue to be reworked as Japan's Pacific Islands policies become more closely integrated into FOIP. Whether Japan has the capacity to deliver on ambitions for the Pacific Islands and the wider Indo-Pacific, however, remains open to question.

Japan's foreign policy on the Pacific Islands—sometimes described as "slow and steady"—has been for a long time tucked away in a sleepy corner of Japan's Ministry of Foreign Affairs.¹ Over the past forty years, the Pacific Islands have not only played a small part in Japanese foreign policy but have also been largely separated from the wider transformation in Japan's strategic thinking, particularly over the past decade. Whereas Japan's overall policy on the Indo-Pacific has become increasingly strategic, its approach to the Pacific Islands has thus far remained largely developmental. Yet this wider transformation in Japanese strategic thinking has clear implications for its Pacific Islands policy and Japan's role in the region. A greater emphasis in Japanese policy on achieving strategic objectives through official development assistance (ODA), a commitment to making a 'proactive contribution to peace' (*sekkyokuteki heiwashugi*), and a preference for a 'Free and Open Indo-Pacific' (FOIP) all indicate that Japan will dispense with this slow and steady approach and adopt a more strategic set of policies towards the Pacific Islands.

The importance of the Pacific Islands in Japan's FOIP strategy should not be exaggerated. Japan's main interests under such a program lie in the South China Sea, the Indian Ocean, and elsewhere. Nonetheless, the changing power dynamics of the Indo-Pacific and Japan's increasingly proactive outlook do raise questions as to how Japan might approach the region in future. The aim of this article is to understand Japan's current and likely future

¹ Melissa Liberatore, 'Slow and Steady Wins the Race—Japan and the Pacific Island Leaders' Meeting', *The Strategist*, Australian Strategic Policy Institute, 18 May 2018, <www.aspistrategist.org.au/slow-and-steady-wins-the-race-japan-and-the-pacific-island-leaders-meeting/> [Accessed 29 July 2019].

engagement of the Pacific Islands by focusing on three basic questions. First, what does Japan do in the Pacific Islands region? Second, where do the Pacific Islands fit within Japan's FOIP strategy? And third, what are Japan's interests in the Pacific Islands as they relate to this wider strategic policy? The central argument is that Japan's low-key, chiefly developmental approach to the Pacific Islands region will be recast as the FOIP strategy evolves. Indeed, the evolution of FOIP is likely to reshape Japan's Pacific Islands policies into a more complex arrangement of strategic and developmental thinking; it could push Japan to play a greater role in the Pacific Islands region. Whether slow and steady can win the strategic race in the Pacific Islands, however, is not clear. Tokyo's capacity and commitment to follow through on such a broad strategy remains open to question.

What Does Japan Do in the Pacific Islands Region?

The Japanese government describes the Pacific Island countries as "important, longstanding partners, sharing the Pacific Ocean and addressing common challenges".² Japan began providing ODA to regional nations, notably Samoa and Fiji, in the early 1970s,³ and it has attended the Pacific Islands Forum Post Forum Dialogue since 1989.⁴ Still, not all of Japan's policies towards the region have succeeded or been well received. The region's nations have been critical of Japan's approach to ODA policymaking, how it addresses differences over fisheries and, indeed, its tendency to link these two issues.⁵ In the 1970s, the 'Pan-Pacific Concept' promoted by the government of Prime Minister Masayoshi Ōhira largely overlooked the Pacific Islands dimension of the 'Pacific'. In 1980, Japan's proposal to dispose of nuclear waste in the Mariana Trench was strongly criticised by the then South Pacific Forum.⁶ In comparison to earlier attempts, the Pacific Islands policy outlined by the government of Prime Minister Yasuhiro Nakasone in 1987 offered a more comprehensive approach to engaging with the region. In what came to be known as the Kuranari Doctrine (named after then Foreign Minister Tadashi Kuranari), the Nakasone government sought to establish its interaction with the region around principles of independence, regional cooperation, stability, development and people-to-people engagement.⁷

A shift in Japan's approach from a chiefly bilateral to a more multilateral style came with the establishment of the Pacific Islands Leaders Meeting (PALM) summits in 1997. A triennial event hosted by Japan, PALM brings together leaders from sixteen countries and Japan.⁸ Since 2010, Japan has also begun hosting PALM Ministerial

2 Japan Ministry of Foreign Affairs, 'Pacific Islands Leaders Meeting (PALM)', 9 April 2018, <www.mofa.go.jp/region/asia-paci/palm/index.html> [Accessed 23 July 2019].

3 Izumi Kobayashi, 'Japan's Diplomacy towards Member Countries of Pacific Islands Forum: Significance of Pacific Islands Leaders Meeting (PALM)', *Asia-Pacific Review*, vol. 25, no. 2 (2018), p. 91.

4 Japan Ministry of Foreign Affairs, *Diplomatic Bluebook 2018: Japanese Diplomacy and International Situation in 2017* (Tokyo: Ministry of Foreign Affairs, 2018), p. 86.

5 For example, see Sandra Tarte, 'Diplomatic Strategies: The Pacific Islands and Japan', Pacific Economic Papers no. 269 (Canberra: Australia-Japan Research Centre, Australian National University, July 1997), p. 6.

6 Kobayashi, 'Japan's Diplomacy towards Member Countries of Pacific Islands Forum', pp. 91–92.

7 Ibid., pp. 92–93. See also Stephen Henningham, *The Pacific Island States: Security and Sovereignty in the Post-Cold War World* (Houndmills: Palgrave Macmillan, 1995), p. 101.

8 These are Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Interim Meetings every three years. Since 2014, it has also participated annually in Japan-Pacific Islands Leaders Meetings on the sidelines of the United Nations (UN) General Assembly.⁹ A consistent feature of the PALM summits has been the emphasis placed on the commonalities shared by Japan and the other participating states.¹⁰ The phrase ‘We are Islanders’ has been adopted regularly as the ‘theme’ of the summits, with different subtitles addressing specific areas for attention. At PALM5 in 2009, the subtitle was ‘Towards an Eco-friendly and Rich Pacific’.¹¹ By PALM8, held in Fukushima in May 2018, this had become a ‘Partnership Towards Prosperous, Free and Open Pacific’.¹²

This shift points to the transition of PALM, particularly since the mid-2000s, from a summit primarily focused on development and environment issues to one that also takes in strategic calculations.¹³ At the fourth summit held in 2006, the Japanese government, in response to China holding its own Pacific Islands meeting in Fiji that year, announced an aid package of ¥45 billion for the next three years. At subsequent summits, until 2018, Japan gradually increased this sum. In the three years between PALM7 in 2015 and PALM8 in 2018, for instance, Japan offered ¥55 billion (approx. US\$460 million) in assistance, as well as 4,000 people-to-people exchanges, including places in Japan’s JENESYS (Japan-East Asia Network of Exchange for Students and Youths) program for youth exchange and the Pacific-LEADS (Leaders’ Educational Assistance for Development of State) program for junior government officials, amongst other initiatives.¹⁴ According to Izumi Kobayashi, the increase in funding “was, beyond a doubt, taken as a countermeasure against China”.¹⁵

However, while the Japanese government committed to 5,000 people-to-people exchanges at PALM8 in 2018, no concrete financial pledge was made in the same manner as PALM7, even as Japan has remained an active bilateral donor in the region.¹⁶ Instead, the PALM8 agenda focused on maritime order, the rule of law and ocean sustainability, regional connectivity, sustainable economic development, wider international cooperation, and capacity building. The PALM Leaders’ Declaration called for “the complete denuclearisation of the Korean Peninsula” and for North Korea “to immediately

9 Japan Ministry of Foreign Affairs, *Diplomatic Bluebook 2018*, pp. 85–86.

10 See Grant Wyeth, ‘Japan Keen to Bolster Ties with Pacific Island States’, *The Diplomat*, 12 August 2019, <thediplomat.com/2019/08/japan-keen-to-bolster-ties-with-pacific-island-states/> [Accessed 12 September 2019].

11 Japan Ministry of Foreign Affairs, ‘PALM 5: Islanders’ Hokkaido Declaration’, 22-23 May 2009, <www.mofa.go.jp/region/asia-paci/palm/palm5/declaration.html> [Accessed 11 September 2019].

12 Japan Ministry of Foreign Affairs, ‘The Eighth Pacific Islands Leaders Meeting (PALM8) (Overview of Results)’, 19 May 2018, <www.mofa.go.jp/a_o/ocn/page3e_000900.html> [Accessed 23 July 2019].

13 Recognition as an aid power is sometimes offered as a rationale for Japan establishing PALM. See Sandra Tarte, ‘Norms and Japan’s Foreign Aid Policy in the South Pacific’, in Yoichiro Sato and Keiko Hirata (eds), *Norms, Interests, and Power in Japanese Foreign Policy* (New York: Palgrave Macmillan, 2008), p. 142.

14 Japan Ministry of Foreign Affairs, ‘The Eighth Pacific Islands Leaders Meeting (PALM8): Leaders’ Declaration’, 18–19 May 2018, <www.mofa.go.jp/a_o/ocn/page4e_000825.html> [Accessed 23 July 2019]. See also Japan Ministry of Foreign Affairs, *Diplomatic Bluebook 2018*, p. 87; Japan International Cooperation Agency, ‘Aiming to Strengthen Ties with Islands in the Pacific Vol. 2: Supporting the Development of Human Resources for the Future’, 14 May 2018, <www.jica.go.jp/english/news/field/2018/180514_01.html> [Accessed 12 September 2019].

15 Kobayashi, ‘Japan’s Diplomacy towards Member Countries of Pacific Islands Forum’, p. 99.

16 Susumu Kuronuma, ‘Japan, US and Australia Push Back on China’s South Pacific Expansion’, *Nikkei Asian Review*, 3 July 2019, <asia.nikkei.com/Politics/International-relations/Japan-US-and-Australia-push-back-on-China-s-South-Pacific-expansion> [Accessed 12 September 2019].

take concrete actions in accordance with UNSC [UN Security Council] resolutions”.¹⁷ The Japanese government committed to support the region through its FOIP strategy, in the process underscoring the importance at least to Japan of “a free, open, and sustainable maritime order based on the rule of law in the Pacific”.¹⁸

Problematically, in presenting the FOIP strategy in this manner at PALM8, Japan struggled to engage with the Pacific Island countries to find a coordinated outlook on the strategy. Accordingly, criticism of the process and outcomes of PALM8 has focused on Japan’s “propensity for informing the PICs [Pacific Island countries] of policies impacting or involving them, rather than co-creating such policies”. As Kaitu’u ’i Pangai Funaki and Yoichiro Sato explain, this tendency “inhibits the development of trust”.¹⁹ That Japan was viewed by some participants as not having sufficiently consulted with the other participants prior to PALM8 helped create this distrust at Fukushima, which was exacerbated by the fact that these participants then viewed Japan as tying its ODA projects in the region to a commitment on FOIP.²⁰ Such problems may explain why the PALM8 members merely ‘welcomed’ Japanese initiatives in the region, such as FOIP, rather than endorsing them.²¹ The problems of PALM8 also provide context to Japanese Foreign Minister Tarō Kōno’s visit to the region in August 2019 to further promote FOIP and gain greater regional support for the strategy.²² Despite some clumsiness to its diplomacy, however, Japan has still managed to maintain its substantial regional engagement. The ‘slow and steady’ characterisation, as made by Melissa Liberatore, is in fact a recognition of the sustained nature of Japan’s involvement in the region, despite the apparent limitations of its diplomacy.²³ In addition to the multilateral initiatives outlined above, Japan maintains a substantial diplomatic presence in the region, with Japanese embassies in eleven of the Pacific Islands Forum full member states. Infrastructure development and technical training have been two key areas for Japanese cooperation. Tokyo has been involved in a range of construction projects in recent times, including the building of highways (Solomon Islands), wind-power generation systems (Tonga), and numerous road and bridge projects (as in Papua New Guinea), as well as port development (Vanuatu).²⁴ Combating climate change and the promotion of renewables have been a key focus of Japanese activities.²⁵ The Japan International Cooperation Agency has been an important institution for Japan in leading many such activities.²⁶

17 Japan Ministry of Foreign Affairs, ‘The Eighth Pacific Islands Leaders Meeting (PALM8)’. The emphasis on North Korea followed illicit North Korean activities in the Pacific Islands region in order to avoid UN sanctions. See Kaitu’u ’i Pangai Funaki and Yoichiro Sato, ‘Wanted: A Strategic Dialogue with Pacific Island Countries’, *Japan Times*, 28 January 2019, <www.japantimes.co.jp/opinion/2019/01/28/commentary/japan-commentary/wanted-strategic-dialogue-pacific-island-countries/> [Accessed 12 September 2019].

18 Japan Ministry of Foreign Affairs, ‘The Eighth Pacific Islands Leaders Meeting (PALM8)’. See also Daniel Hurst, ‘Japan’s Pacific Island Push’, *Diplomat*, 24 May 2018, <thediplomat.com/2018/05/japans-pacific-island-push/> [Accessed 23 July 2019].

19 Funaki and Sato, ‘Wanted’.

20 Ibid.

21 Japan Ministry of Foreign Affairs, ‘The Eighth Pacific Islands Leaders Meeting (PALM8): Leaders’ Declaration’.

22 Wyeth, ‘Japan Keen to Bolster Ties with Pacific Island States’. See also Japan Ministry of Foreign Affairs, ‘Foreign Minister Kono Pays a Courtesy Call on the Prime Minister of Fiji’, 5 August 2019, <www.mofa.go.jp/press/release/press4e_002569.html> [Accessed 12 September 2019].

23 Liberatore, ‘Slow and Steady Wins the Race’.

24 Ibid. See also Japan Ministry of Foreign Affairs, *White Paper on Development Cooperation 2017: Japan’s International Cooperation* (Tokyo: Ministry of Foreign Affairs, February 2018), pp. 128–31.

25 Liberatore, ‘Slow and Steady Wins the Race’.

26 For example, see Japan International Cooperation Agency, ‘Aiming to Strengthen Ties with Islands in the Pacific Vol. 1: Promoting Renewable Energy’, 7 May 2018, <www.jica.go.jp/english/news/field/2018/20180507_01.html> [Accessed 23 July 2019].

In terms of policy in the Pacific Islands region, Japan has implemented and sustained a low-key process of engagement. Japan has made itself a long-term player in the region's international affairs, building partnerships around an ongoing commitment to development. Japan is a major aid donor in Oceania, behind New Zealand and Australia and probably China.²⁷ Its goal of becoming an 'aid power' in the region, a reason for establishing PALM, has been broadly accomplished.²⁸ Notwithstanding the pressures—budgetary and otherwise—on its overall foreign policy, and development cooperation policies in particular, Tokyo has maintained a continued and visible presence in the region. It has done so, moreover, in the face of growing competition for strategic influence on the part of China, which has become a major player in the region across aid as well as lending, with its total aid and lending activities sometimes estimated to be around US\$1.5 billion since 2011.²⁹

Where Do the Pacific Islands Fit in Japan's FOIP Strategy?

Even as a regional aid power, however, Japan today faces significant challenges to its engagement of the Pacific Islands region. These relate to both how it manages its own strategic priorities and how it deals with the growing challenges of a more contested Asia-Pacific. The rise of China and the challenge this presents for Japan provide the immediate context for understanding the counterbalancing flavour of FOIP and Japan's enthusiasm for potential balancing groupings such as the Quadrilateral Security Dialogue or 'Quad'.³⁰ Since 2010 especially, Japan has become increasingly entangled in disputes with China, particularly over the status of the Senkaku/Diaoyu islands in the East China Sea.³¹ Given that FOIP represents Japan's chief attempt to respond to these strategic tensions, to better understand the future place of the Pacific Islands in Japanese strategic thinking, it is necessary to understand where the region fits within FOIP.

27 Liberatore, 'Slow and Steady Wins the Race'. See also Denghua Zhang, 'China, India and Japan in the Pacific: Latest Developments, Motivations and Impact', *DPA Discussion Paper* 2018/6 (Canberra: Department of Pacific Affairs, Australian National University, 2018), <dpa.bellschool.anu.edu.au/sites/default/files/publications/attachments/2018-09/dpa_dp2018_6_zhang_final.pdf> [Accessed 12 September 2019]; Alexandre Dayant, 'Follow the Money: How Foreign Aid Spending Tells of Pacific Priorities', *The Interpreter*, Lowy Institute, 17 April 2019, <www.lowyinstitute.org/the-interpreter/follow-money-how-foreign-aid-spending-tells-pacific-priorities> [Accessed 12 September 2019].

28 Tarte, 'Norms and Japan's Foreign Aid Policy in the South Pacific', p. 142.

29 'China's Largesse in Tonga Threatens Future of Pacific Nation', *Asahi Shimbun*, 11 July 2019, <www.asahi.com/ajw/articles/AJ201907110018.html> [Accessed 11 September 2019].

30 Adam Liff argues that there is little evidence that Japan's recent engagement of China contains significant hedging elements. Rather, it has actually moved towards a more balancing-heavy strategy. See Adam P. Liff, 'Unambivalent Alignment: Japan's China Strategy, the US Alliance, and the "Hedging" Fallacy', *International Relations of the Asia-Pacific*, vol. 19, no. 3 (2019), pp. 453–91. Regarding the balancing aspect of the 'Quad', see H. D. P. Envall, 'The Quadrilateral Security Dialogue: Towards an Indo-Pacific Order?' Policy Report (Singapore: S. Rajaratnam School of International Studies, September 2019), p. 5, <www.rsis.edu.sg/wp-content/uploads/2019/09/PR190909_The-Quadrilateral-Security-Dialogue.pdf> [Accessed 12 September].

31 On Japan's dispute with China during this period, see Sheila A. Smith, *Intimate Rivals: Japanese Domestic Politics and a Rising China* (New York: Columbia University Press, 2015), pp. 1–4. See also H. D. P. Envall, 'Japan: From Passive Partner to Active Ally', in Michael Wesley (ed.), *Global Allies: Comparing US Alliances in the 21st Century* (Canberra: ANU Press, 2017), pp. 27–28.

The government of Prime Minister Shinzō Abe has been particularly active in promoting the FOIP idea. Admittedly described as “nebulous” by the *Economist*,³² FOIP centres on the idea of ‘maintaining and strengthening’ an international order stretching from the Indian to the Pacific Ocean. It is based around three broad objectives of: (1) ensuring key principles such as the rule of law and freedom and navigation are upheld through the region; (2) creating economic prosperity in the region by establishing greater economic connections; and (3) ensuring that the region is characterised by peace and stability by engaging in capacity building in such areas as maritime law enforcement, non-proliferation, and disaster risk reduction.³³

Tomohiko Satake argues that FOIP has three important dimensions in terms of Japan’s strategic objectives in the Indo-Pacific. Put simply, these are balancing, connectivity and order-building. *Balancing* refers to the aim of developing a stable, multipolar balance of power in the region that provides sufficient strategic space to accommodate both China as a rising power and the United States as the established, if declining, hegemonic power. From the Japanese perspective, a failure to achieve a regional power balance will lead either to a great-power war or to the domination of the region by China. Abe, for instance, has warned of the South China Sea becoming a “Lake Beijing”.³⁴ *Connectivity* focuses on the goal of building up the resilience of states in the region, such as against terrorism or natural disasters, particularly through greater development activities and the establishment of region-wide connections (especially linking the Indo and Pacific realms of FOIP). *Order-building* covers the creation of region-wide rules and norms of international conduct (e.g., the rule of law and processes around managing territorial disputes).³⁵ This order-building can be viewed as providing the mechanisms for constraining what would otherwise be the unchecked use of power in the region.

Consequently, although open to all supportive countries, FOIP is focused on linking Japan to other maritime powers through the Indo-Pacific—including the United States, but especially India and Association of Southeast Asian Nations (ASEAN) members—through to Africa. This focus in South and Southeast Asia covers a range of issues, including the rule of law, maritime safety and capacity building, as well as development. Indeed, Satake argues that Southeast Asia, but particularly ASEAN, “is at the heart” of Japan’s approach to order-building in the FOIP strategy.³⁶ A similar observation might also be made about India, however. As its relationship with China has deteriorated, Japan has actively courted India as a strategic partner in areas covering nuclear cooperation,

32 ‘Asian Countries Fear China, But Many Won’t Side with America’, *Economist*, 5 June 2019, <www.economist.com/asia/2019/06/05/asian-countries-fear-china-but-many-wont-side-with-america> [Accessed 23 July 2019]. Owing to its ambiguities, there is considerable disagreement as to the exact nature of FOIP and whether it is a geo-economic, geopolitical or order-building strategy, or some combination of these. See Tomohiko Satake, ‘Japan’s “Free and Open Indo-Pacific Strategy” and Its Implication for ASEAN’, *Southeast Asia Affairs*, vol. 2019 (2019), pp. 69–70.

33 Japan Ministry of Foreign Affairs, *Diplomatic Bluebook 2018*, p. 20.

34 Shinzo Abe, ‘Asia’s Democratic Security Diamond’, *Project Syndicate*, 27 December 2012, <www.project-syndicate.org/commentary/a-strategic-alliance-for-japan-and-india-by-shinzo-abe#5R2zcYPpL6wLTzTF.99> [Accessed 23 July 2019].

35 Satake, ‘Japan’s “Free and Open Indo-Pacific Strategy”’, pp. 73–76.

36 *Ibid.*, p. 77.

trade, infrastructure investment and defence cooperation.³⁷ Abe has been notably active, promoting the idea of a closer alignment between FOIP and India's 'Act East Policy', such as via greater regional 'connectivity', enhanced maritime security cooperation and more joint cooperation with ASEAN.³⁸ As Satake notes, the logic of deepening cooperation with India under FOIP is to coax India to do more to counterbalance China.³⁹ Likewise, Takeshi Yūzawa has argued that China has been "one of the main causes" for Japan's push to deepen its relationship with India.⁴⁰ Indeed, Japanese analysts invariably view the growing Indo-Japanese relationship in the context of China's rise.⁴¹

Abe himself has been prominent in both defining and promoting FOIP.⁴² In 2007 (during his first stint as Japanese prime minister), he talked of a "broader Asia" taking shape at the "confluence of the two seas of the Indian and Pacific Oceans".⁴³ In 2012, he raised the idea of a "democratic security diamond" that would help to "safeguard the maritime commons stretching from the Indian ocean region to the western Pacific".⁴⁴ In August 2016, in Africa, he talked of a "union of two free and open oceans and two continents" and of a "confluence of the Pacific and Indian Oceans and of Asia and Africa".⁴⁵ Three months later, in November 2016, at a meeting with Indian Prime Minister Narendra Modi, Abe contended that a "free and open Indo-Pacific" would be "vital to achieving prosperity in the entire region."⁴⁶ Elsewhere, Abe has been a strong proponent of reforming Japan's own strategic outlook under the banner, noted earlier, of making a 'proactive contribution to peace'. The aim of this policy has been to increase Japan's capacity for deterrence, build up its alliance cooperation with the United States, and expand its diplomacy around the region.⁴⁷ To these ends, Japan has enacted numerous policy changes. It has reformed its domestic security institutions, such as by reinterpreting the Constitution to give the country the right to collective self-defence. It has begun to build up and reorient its defence forces to enable them to deter and repel aggression to the south of Japan and to

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- 37 H. D. P. Envall, 'Japan's India Engagement: From Different Worlds to Strategic Partners', in Ian Hall (ed.), *The Engagement of India: Strategies and Responses* (Washington, DC: Georgetown University Press, 2014), pp. 46–49. See also H. D. P. Envall and Ian Hall, 'Asian Strategic Partnerships: New Practices and Regional Security Governance', *Asian Politics & Policy*, vol. 8, no. 1 (2016), pp. 98–99.
- 38 Government of Japan, 'Japan–India Joint Statement: Toward a Free, Open and Prosperous Indo-Pacific', 14 September 2017, p. 1, <www.mofa.go.jp/files/000289999.pdf> [Accessed 31 July 2019].
- 39 Satake, 'Japan's "Free and Open Indo-Pacific Strategy" and Its Implication for ASEAN', p. 71.
- 40 Takeshi Yūzawa, 'Nichin Kankei no Genjō to Kadai' [Indo-Japanese Relations: Current Conditions and Problems], *Kokusai Mondai* [International Affairs], no. 571 (2008), p. 43.
- 41 For example, see Takenori Horimoto, 'Taikokuka suru Indo: Chūgoku to no Taihi' [India Becoming a Great Power: The Contrast with China], *Gaikō* [Diplomacy], no. 6 (2011), p. 116.
- 42 See Hidetaka Yoshimatsu, 'The Indo-Pacific in Japan's Strategy towards India', *Contemporary Politics*, (2018), pp. 6–8, doi:10.1080/13569775.2018.1556769.
- 43 Shinzo Abe, 'Confluence of the Two Seas', speech at the Parliament of the Republic of India, 22 August 2007, <www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html> [Accessed 23 July 2019].
- 44 Abe, 'Asia's Democratic Security Diamond'.
- 45 Shinzo Abe, 'Address by Prime Minister Shinzo Abe at the Opening Session of the Sixth Tokyo International Conference on African Development (TICAD VI)', 27 August 2016, <www.mofa.go.jp/afr/af2/page4e_000496.html> [Accessed 23 July 2019].
- 46 Japan Ministry of Foreign Affairs, 'Japan–India Joint Statement', 11 November 2016, p. 1, <www.mofa.go.jp/files/000202950.pdf> [Accessed 23 July 2019].
- 47 Government of Japan, 'National Security Strategy', 17 December 2013, p. 5, <www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf> [Accessed 31 July 2019]. See also H. D. P. Envall, 'Japan's "Pivot" Perspective: Reassurance, Restructuring, and the Rebalance', *Security Challenges*, vol. 12, no. 3 (2016), pp. 15–18.

act further afield, such as in the South China Sea.⁴⁸ It has also sought to pursue strategic partnerships around the region, such as with India and Australia.⁴⁹

Thus viewed, the Pacific Islands still fit within FOIP only at the margins, with development the central overlapping interest. However, the Pacific Islands region constitutes only a small part of Japan's ODA across the Indo-Pacific. Of the major subregions making up the FOIP region—East and Southeast Asia, Oceania, Sub-Saharan Africa, and North Africa, the Middle East, and Central Asia—the Oceania subregion, which covers the Pacific Islands countries, counts for less than 1 per cent of ODA spending across FOIP. The main subregion by far is East and Southeast Asia, which takes up just over 75 per cent of Japan's ODA across the region.⁵⁰ Development is also just one of FOIP's main policy pillars. The other two, the rule of law and capacity building, are more important to Japan in terms of its wider strategic reorientation, whether the purpose of FOIP is geo-economic, geopolitical or order-building. If Japan is to become a regional power with some capacity to resist Chinese hegemony, Tokyo must manage the multiple challenges of building up its own deterrence capabilities, ensuring that the United States stays engaged in the region, and improving its capacity to build regional coalitions.⁵¹ Achieving region-wide economic connectivity and greater capacity-building are now seen as the chief means of meeting this challenge.

What Are Japan's Interests in the Pacific Islands as They Relate to FOIP?

Putting Japan's goals concerning the Pacific Islands region into the broader context of the FOIP strategy is not to dismiss the importance of these goals. Japan has a range of national interests in the Pacific Islands region, from securing access to fisheries and sea lanes for trade, such as those connecting Japan to Australia, as well as enhancing Japan's diplomatic support, especially at the UN.⁵² Achieving sustainable development and reducing the region's unique vulnerabilities, such as climate change and other

48 It should be noted that not all these policies originated with the Abe government. The reorientation of defence strategy southward started with the previous government led by the then Democratic Party of Japan. See H. D. P. Envall, 'Clashing Expectations: Strategic Thinking and Alliance Mismanagement in Japan', in Yoichiro Sato and Tan See Seng (eds), *United States Engagement in the Asia Pacific: Perspectives from Asia* (Amherst, NY: Cambria Press, 2015), pp. 76–77.

49 H. D. P. Envall, 'The "Abe Doctrine": Japan's New Regional Realism', *International Relations of the Asia-Pacific*, vol. 20, no. 1 (2020), p. 46. For an analysis on Japan's partnership with Australia, for example, see Michael Heazle and Yuki Tatsumi, 'Explaining Australia–Japan Security Cooperation and its Prospect: "The Interests that Bind?"' *Pacific Review*, vol. 31, no. 1 (2018), pp. 38–56.

50 The figures are from 2016 and exclude contributions to international organisations. See Japan Ministry of Foreign Affairs, 'Priority Policy for Development Cooperation FY 2017', April 2017, p. 8, <www.mofa.go.jp/files/000259285.pdf> [Accessed 31 July 2019].

51 See H. D. P. Envall, 'What Kind of Japan? Tokyo's Strategic Options in a Contested Asia', *Survival*, vol. 61, no. 4 (2019), pp. 117–30. In this regard, the Japanese government was no doubt heartened by the update of America's own Indo-Pacific strategy in mid-2019. See US Department of Defense, *Indo-Pacific Strategy Report: Preparedness, Partnerships, and Promoting a Networked Region* (Washington, DC: US Department of Defense, 1 June 2019).

52 Kobayashi, 'Japan's Diplomacy towards Member Countries of Pacific Islands Forum', p. 100. See also Susumu Kuronuma, 'Japan, US and Australia Push Back on China's South Pacific Expansion', *Nikkei Asian Review*, 3 July 2019, <asia.nikkei.com/Politics/International-relations/Japan-US-and-Australia-push-back-on-China-s-South-Pacific-expansion> [Accessed 15 September 2019].

environmental challenges, are central components of Japan's ODA program for the region. As Japan's *White Paper on Development Cooperation 2017* states, the "Pacific island countries are not only Japan's 'neighbors' that are bound by the Pacific Ocean, but ... also have historical ties with Japan".⁵³ Indeed, Japan's interests in the Pacific Islands region so far as FOIP is concerned are strongly developmental, with an emphasis on addressing "vulnerabilities unique to small island developing states".⁵⁴

Nevertheless, it is possible to read between the lines of FOIP to see how Japan's deeper strategic aims might shift its interests in the Pacific Islands region. For Japan, simply *being in* the region in a visible and accepted way is perhaps as important as what it might do in the region. The growing presence of China in the Pacific Islands region means that it has become more urgent for Japan to press its own leadership credentials around the region and to distinguish its approach from that adopted by China. As noted earlier, the FOIP strategy should be viewed, in the Pacific Islands region as it is elsewhere, as a type of counter-balancing policy vis-à-vis China.

Japan is pursuing balancing interests in the Pacific Islands region across a range of FOIP dimensions. In the area of connectivity, for example, Japan is already actively seeking to counter the influence of China's Belt and Road Initiative (BRI) by deepening its own investment and infrastructure development in the region. Japan has added to existing investment and development initiatives (e.g. from the Asian Development Bank) by pursuing further opportunities for cooperation, including expanding the recently established trilateral partnership between Japan, Australia, and the United States for greater infrastructure investment in the Indo-Pacific. Accordingly, the Trilateral Partnership for Infrastructure Investment in the Indo-Pacific, operationalised in November 2018, is intended to help "deliver major new infrastructure projects, enhance digital connectivity and energy infrastructure, and to achieve other shared development priorities in the Indo-Pacific". By June 2019, the three governments had reviewed potential projects in "electrification, gas value chains, and digital connectivity" and had sent a joint mission to Papua New Guinea to identify possible schemes. Electrification and liquified gas projects have been high on the agenda.⁵⁵

53 Japan Ministry of Foreign Affairs, *White Paper on Development Cooperation 2017*, p. 128.

54 Japan Ministry of Foreign Affairs, 'Priority Policy for Development Cooperation FY 2017', p. 10.

55 'Joint Statement of The Governments of Australia, Japan, and the United States of America on the Trilateral Partnership for infrastructure investment in the Indo-Pacific', 17 November 2018, <www.pm.gov.au/media/joint-statement-governments-australia-japan-and-united-states> [Accessed 4 October 2019]. On the proposed electrification project (which also brings in New Zealand), see Prime Minister of Australia, 'The Papua New Guinea Electrification Partnership', 18 November 2018, <www.pm.gov.au/media/papua-new-guinea-electrification-partnership> [Accessed 4 October 2019]. Some have questioned the viability of this project. See Shane McLeod, 'Plugging in PNG: Electricity, Partners and Politics', *Interpreter*, 10 April 2019, <www.lowyinstitute.org/the-interpreter/plugging-png-electricity-partners-and-politics> [Accessed 4 October 2019]. On subsequent developments, see Australia Department of Foreign Affairs and Trade, 'US, Japan, Australia Reaffirm Commitment to Indo-Pacific Infrastructure Development', 25 June 2019, <dfat.gov.au/news/media/Pages/us-japan-australia-reaffirm-commitment-to-indo-pacific-infrastructure-development.aspx> [Accessed 4 October 2019]. For reporting around a possible liquified gas project, see also Hisao Kodachi, 'Japan, US and Australia begin own "Belt and Road" in South Pacific', *Nikkei Asian Review*, 25 June 2019, <asia.nikkei.com/Politics/International-relations/Japan-US-and-Australia-begin-own-Belt-and-Road-in-South-Pacific> [Accessed 23 July 2019]. For more on the connections between the ADB, FOIP, and other infrastructure investment initiatives, see Hidetaka Yoshimatsu, 'New Dynamics in Sino-Japanese Rivalry: Sustaining Infrastructure Development in Asia', *Journal of Contemporary China*, vol. 17, no. 113 (2018), pp. 724–25.

For Japan, projects such as this should also be attached to a set of established international norms and principles. At the Group of Twenty (G20) Summit held in Osaka in June 2019, the participants adopted a package of six principles of infrastructure development, including guidelines for such matters as sustainable development, efficiency, environmental protection, and governance. These were quickly seen as balancing against China's BRI.⁵⁶ Likewise, balancing behaviour can be found in Japan's interests regarding regional resilience and order-building. Japan has been active in building up the resilience of nations around the Indo-Pacific, especially in developing regional players' capacity to maintain their territorial sovereignty. Already, Japan has undertaken such a role in Southeast Asia, via supplying coast guard vessels to countries such as the Philippines and Vietnam. It is now also providing resilience and capacity-building training to Fiji.⁵⁷ As Japan's emphasis on territorial sovereignty suggests, these efforts are often tied in with normative ideas around law and order. In this regard, Japan's interests in the Pacific Islands are not unique but do align well with the larger FOIP strategy. Japan is seeking to play a significant role in the Pacific Islands region as a way of supplementing and supporting its larger broader goals, whether that be in terms of balancing, capacity-building or order-building.

In terms of FOIP's maritime space, for instance, Japan's interests are still chiefly in the South China Sea, the Straits of Malacca and the Indian Ocean. Once again, Southeast Asia is at the heart of Japanese strategy, owing to the 'Confluence of the Two Seas' idea. The convergence of these two maritime domains in Southeast Asia makes it the key linkage-point upon which the entire FOIP framework rests. Further, Southeast Asia offers substantial capacity-building opportunities for Japan as it seeks to counter China by boosting key bilateral partnerships, such as with Vietnam or the Philippines. Japan's aim here is to support international norms around territorial disputes, especially in the South China Sea. Speaking in 2014, Abe outlined what Japan saw as the core international principles for resolving maritime territorial disputes in the region—to follow international law, restrain from using force to push claims, and settle disputes peacefully.⁵⁸ Southeast Asia is significant, therefore, both because the region is central to FOIP's notion of connectivity and because it adds to Japan's balancing options.⁵⁹

56 Japan Ministry of Foreign Affairs, 'G20 Principles for Quality Infrastructure Investment', 29 June 2019, <www.mof.go.jp/english/international_policy/convention/g20/annex6_1.pdf>. See also Tomohiro Osaki, 'In Blow to China, Japan's "Quality Infrastructure" to Get Endorsement at Osaka G20', *Japan Times*, 25 June 2019, <www.japantimes.co.jp/news/2019/06/25/business/economy-business/blow-china-japans-quality-infrastructure-get-endorsement-osaka-g20/> [Accessed 23 July 2019].

57 On Japan's support of the Philippines coast guard, see Hidetaka Yoshimatsu, 'Japan and Southeast Asia', in Alice D. Ba and Mark Beeson (eds), *Contemporary Southeast Asia: The Politics of Change, Contestation, and Adaptation*, 3rd ed. (London: Palgrave Macmillan, 2018), p. 258. Regarding recent Japan–Fiji cooperation, see 'Shōchō Ōdan "Indo Taiheiyō Shisetsudan" ga Suishin Nichibeigō no Fijii Shien' [Cross Ministerial 'Indo-Pacific Mission' Promotes Support of Fiji by Japan, US, and Australia], *Sankei Shinbun* [Sankei Newspaper], 13 July 2019, <www.sankei.com/politics/news/190713/pli1907130029-n1.html> [Accessed 23 July 2019].

58 Shinzo Abe, 'Peace and Prosperity in Asia, Forevermore: Japan for the Rule of Law, Asia for the Rule of Law, and the Rule of Law for All of Us', Keynote Address, 13th IISS Asian Security Summit, The Shangri-La Dialogue, 30 May 2014, <www.mofa.go.jp/fp/nsp/page4e_000086.html> [Accessed 23 July 2019].

59 Yoshimatsu, 'The Indo-Pacific in Japan's Strategy Towards India', pp. 5–6. See also Shahana Thankachan, 'Japan's "Free and Open Indo-Pacific Strategy": Reality before the Rhetoric?' *Maritime Affairs*, vol. 13, no. 2 (2017), p. 85.

By comparison, Japan's maritime interest in the Pacific Islands region lacks this linkage dynamic and, instead, is concerned with promoting its idea of a rules-based order along with the norms and principles underpinning it. Even as territorial disputes are less relevant to the Pacific Islands, from the Japanese perspective, the region's states could still play a role in upholding and promoting these order-building principles more widely. In both Japan's statements on FOIP and the 2018 PALM Leaders' Declaration, expressions of commitment to the rule of law and freedom of navigation are prominent, along with commitments to 'peace and stability' and cooperation on maritime safety.⁶⁰ Indeed, at PALM 2018, the leaders restated the importance of respect for international law, "including freedom of navigation and overflight and other internationally lawful uses of the seas".⁶¹ The Pacific Islands region also provides Japan with an opportunity to deepen many of these international norms, including those which have particular saliency for the Pacific Islands. Japan is therefore supportive of a range of additional norms, including environmental-protection norms such as the management of ocean resources (e.g., combatting illegal fishing).⁶²

Conclusion

To conclude, a useful way of assessing the likely implications of FOIP for Japan's future approach to the Pacific Islands is to extend the application of Satake's three dimensions of FOIP—balancing, connectivity and order-building—to the region.⁶³ The logic of FOIP across these dimensions points towards Japan seeking to achieve a more complex set of policy objectives in the Pacific Islands in future. Goals around connectivity, including development and resiliency, will understandably remain central to Japan's approach. However, the evolution of FOIP thus far suggests that Japan's engagement will broaden to encompass more concrete actions across the other dimensions as well. Balancing and order-building features are likely to underly most if not all new policies, even if at a smaller scale than elsewhere in the Indo-Pacific.

Two shifts are especially worth emphasising. First, balancing is likely to become more noticeable. As Japan seeks the support of Pacific Islands nations in resisting the influence of other external players, such as China, it may pursue deeper defence-related cooperation. Whilst it is highly unlikely that Japan will establish a direct military presence in the region, Tokyo may do more in the way of joint military exercises and, especially, work on humanitarian assistance and disaster relief (HADR).⁶⁴ Furthermore, elements of balancing will become more apparent in other FOIP areas such as connectivity and resilience. That Japan is seeking to balance against China's BRI through joint infrastructure

60 Japan Ministry of Foreign Affairs, *Diplomatic Bluebook 2018*, p. 20.

61 Japan Ministry of Foreign Affairs, 'The Eighth Pacific Islands Leaders Meeting (PALM8): Leaders' Declaration'.

62 Ibid.

63 Satake, 'Japan's "Free and Open Indo-Pacific Strategy" and Its Implication for ASEAN', pp. 73–76.

64 HADR cooperation has been part of Japan's approach to regional community-building for some time, especially in terms of its cooperation with Australia and the United States. See H. D. P. Envall, 'Community Building in Asia? Trilateral Cooperation in Humanitarian and Disaster Relief', in Yuki Tatsumi (ed.), *US–Japan–Australia Security Cooperation: Prospects and Challenges* (Washington, DC: Stimson Center, 2015), pp. 53–54.

projects with Australia and the United States, as noted earlier, is a good example of this pursuit of balancing goals across a range of FOIP dimensions. The recent announcements on resiliency (particularly HADR) and capacity-building cooperation with Fiji indicate how such policies might develop further.

Second, order-building will also likely become a greater priority. In part, this may simply entail further rhetoric at bilateral and multilateral meetings such as PALM. Japan will continue to emphasise the importance of international law for resolving territorial disputes peacefully and the need for actors in the region to commit to appropriate international frameworks in resolving their disputes. Beyond rhetoric, Tokyo may well seek to support regional norms through further actions that, once again, take on a balancing flavour. Here, Japan may attempt to support Pacific Islands states in their task of maintaining sovereignty over their vast maritime domains, such as through greater investment in surveillance and policing capabilities and via upgrades to coast guard equipment and training. This would follow the country's approach to Southeast Asia. For the Pacific Islands, the obvious option for Japan would be to work closely with established partners, such as Australia and the United States, via the Trilateral Strategic Dialogue (TSD) or, bringing in India, via the Quad.⁶⁵ Indeed, the Quad is often viewed as a potential mechanism for cooperation amongst these actors on HADR in the region.⁶⁶ Likewise, the TSD partners have already announced their objective of improving engagement with the Pacific Islands.⁶⁷ Infrastructure investment activities, such as those noted above, are also likely to take on an increasingly order-building dimension, especially around the types of rules and principles that apply to such projects, as indicated by Japan's inclusion of global investment principles in the outcomes of the Osaka G20 Summit.

Overall, then, Japan's Pacific Islands policies are shifting to a more strategic form of engagement. Japan will likely play a greater role as an external actor in the region, with its position becoming more complex and multidimensional and, perhaps, more 'normalised'. This would tie in with the country's ambition to become a more 'normal nation' (*futsū no kuni*) in international affairs, an objective it has pursued for much of the post-Cold War period.⁶⁸ Whether the region will become a larger part of Japanese grand strategy is less clear, however. As this article has indicated, the focus of the FOIP strategy lies primarily in Southeast Asia and, to some extent, India. More likely, the Pacific Islands will remain a relatively minor part of Japan's overall foreign policy. Further, the breadth of FOIP—extending from Africa to the Americas and covering security, trade and diplomacy—will place significant demands on Japanese policymakers as they seek to realise these ambitions. As some of the problems surrounding the PALM8 summit in 2018 have highlighted, Japan may lack the capacity to carry through on these commitments.

65 For more on Japan's security cooperation with Australia, including in the Pacific Islands region, see Thomas S. Wilkins, 'After a Decade of Strategic Partnership: Japan and Australia "Decentering" from the US Alliance?' *Pacific Review*, vol. 31, no. 4 (2018), p. 504.

66 Kate Stevenson and H. D. P. Envall, 'The "Quad" and Disaster Management: An Australian Perspective', in Yuki Tatsumi and Jason Li (eds), *International Disaster Response: Rebuilding the Quad?* (Washington, DC: Stimson Center, 2019), p. 15.

67 Marise Payne, 'Trilateral Strategic Dialogue Joint Ministerial Statement', Minister for Foreign Affairs, Minister for Women media release, 2 August 2019, <foreignminister.gov.au/releases/Pages/2019/mp_mr_190802.aspx> [Accessed 13 September 2019].

68 See Andrew L. Oros, *Normalizing Japan: Politics, Identity and the Evolution of Security Practice* (Stanford: Stanford University Press, 2008), p. 72; H. D. P. Envall, *Japanese Diplomacy: The Role of Leadership* (Albany, NY: State University of New York Press, 2015), p. 78.

A major power in relative decline, and facing numerous fiscal, demographic and strategic challenges, Japan may find itself too stretched to accomplish all its agenda. Regardless of whether it is enough to win the race, therefore, 'slow and steady' may have to suffice.

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China in the Pacific and Traditional Powers' New Pacific Policies: Concerns, Responses and Trends

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China's rise in the Pacific has been a major driver of the United States, Australia and New Zealand's respective "Pacific Pledge", "Pacific step-up" and "Pacific reset" policies. This paper examines these new policies and the concerns about China that lie behind them, how China has responded and trends in China-Pacific relations. It argues that China will continue its own way of engagement with the Pacific, but that it may respond assertively if it perceives its Belt and Road Initiative is under threat from the traditional powers' new Pacific policies. Focusing on trade, aid and tourism, the research suggests that, although China has made fast inroads into the region since 2006, it still lags behind the United States, New Zealand and especially Australia in important ways, which is unlikely to change in the short term.

China has substantially increased its presence in the Pacific since 2006. Chinese President Xi Jinping attended the APEC Summit in Port Moresby in November 2018 and met with leaders of all eight Pacific Island countries (PICs) that had diplomatic relations with China at the time, pledging to build a comprehensive strategic partnership with these countries.¹ In September 2019, Solomon Islands and Kiribati switched their diplomatic recognition from Taiwan to China, which further expands China's influence in the region.

While literature on China in the Pacific and traditional powers' new Pacific policies is growing,² few scholarly works have interwoven the two topics. This paper aims to enrich these debates by focusing on three aspects: first, it will discuss traditional powers' new Pacific policies and their concerns about China that lie behind them; second, it will analyse China's responses to traditional powers' new Pacific policies and their concerns about China in the region; third, it will compare China and traditional powers' engagement with PICs in the sectors of trade, aid and tourism, and analyse the trends of China-Pacific relations. In this paper, traditional powers refer to the United States (US), Australia and New Zealand. The data used in the research is drawn from the author's interviews with Chinese scholars, existing scholarly works, public government documents and media reports.

1 Xinhua, 'China, Pacific Island Countries Lift Ties to Comprehensive Strategic Partnership', 17 November 2018, <www.xinhuanet.com/english/2018-11/17/c_137612239.htm> [Accessed 20 May 2019].

2 See for example Kate Hannan and Stewart Firth, 'Trading with the Dragon: Chinese Trade, Investment and Development Assistance in the Pacific Islands', *Journal of Contemporary China*, vol. 24, no. 95 (2015), pp. 865–82; Brian Harding, 'The Trump Administration's Free and Open Indo-Pacific Approach', *Southeast Asian Affairs*, vol. 2019 (2019), pp. 61–67.

Traditional Powers' New Pacific Policies and Concerns about China

The Pacific constitutes an integral part of the US Indo-Pacific strategy which first appeared in the US President Donald Trump's remarks at the APEC CEO Summit in Vietnam in November 2017 and highlighted Washington's determination to promote a rules-based free and open region in response to a more assertive China.³ Engagement between the US and PICs has grown markedly. In May 2019, President Trump met with his counterparts from the three freely associated states of the Republic of Marshall Islands (RMI), the Federated States of Micronesia (FSM) and Palau at the White House for the first time and pledged an increased US presence in the region amid China's growing influence. In August, Mike Pompeo visited the FSM, the first visit by a US Secretary of State in history, where he started the negotiations with the above three PICs to renew the compacts of free association in order to "sustain democracy in the face of Chinese efforts to redraw the Pacific".⁴ To implement the Pacific Pledge, which the US sees an element of its broader Indo-Pacific Strategy, in August and September 2019 the US government committed over US\$100 million in new assistance to the Pacific in addition to ongoing annual spending of US\$350 million in the region.⁵ Much of the assistance will be used to deepen cooperation with PICs in such sectors as climate change, infrastructure, governance and security.

Similarly, Australia and New Zealand, the two most important regional powers, are bolstering their presence in the Pacific. The Australian Government is stepping up its engagement with PICs, a move described by Foreign Minister Marise Payne as "an imperative" rather than "an option" for Australian foreign policy, to tackle the region's challenges in the sectors of climate and disaster resilience, economic growth, health, education and social inclusion.⁶ For example, as part of the 'Pacific Step-up', Australia has created an AU\$2 billion loan facility to support Pacific countries in high priority infrastructure development, a sector in which China's involvement is seemingly far more visible than traditional partners including Australia.⁷ In 2018 Australia also committed to opening five new diplomatic missions in the Pacific, giving it on-the-ground representation in every member of the Pacific Islands Forum. Since July 2018, the Pacific Labour Scheme has been implemented to provide economic opportunities for Pacific Islanders to work in rural and regional Australia. In November 2019, Australia's first-ever specialist college on security in PICs—the Australia Pacific Security College—was officially launched at

3 Donald Trump, 'Remarks by President Trump at APEC CEO Summit | Da Nang, Vietnam', White House, 10 November 2017, <www.whitehouse.gov/briefings-statements/remarks-president-trump-apec-ceo-summit-da-nang-vietnam/> [Accessed 18 August 2018].

4 Colin Packham and Jonathan Barrett, 'U.S. Seeks to Renew Pacific Islands Security Pact to Foil China', Reuters, 5 August 2019, <www.reuters.com/article/us-micronesia-usa-pompeo/u-s-seeks-to-renew-pacific-islands-security-pact-to-foil-china-idUSKCN1UV0UV> [Accessed 20 November 2019].

5 US Department of State, 'U.S. Engagement in the Pacific Islands: UN General Assembly Update', Fact sheet, 3 October 2019, <www.state.gov/u-s-engagement-in-the-pacific-islands-un-general-assembly-update/> [Accessed 18 November 2019].

6 Marise Payne, 'State of the Pacific Conference', DFAT, 10 September 2018, <www.foreignminister.gov.au/minister/marise-payne/speech/state-pacific-conference> [Accessed 12 May 2019]; DFAT (Department of Foreign Affairs and Trade), 'Stepping-up Australia's Pacific Engagement with Our Pacific Family', n.d., <<https://dfat.gov.au/geo/pacific/engagement/Pages/stepping-up-australias-pacific-engagement.aspx>> [Accessed 9 August 2019].

7 DFAT, 'Stepping-up Australia's Pacific Engagement'.

the Australian National University. This institution will advance Australia's security cooperation with the Pacific by providing training for mid- and senior-level Pacific officials on climate, environmental, human and traditional security issues.⁸

In 2018, New Zealand outlined its 'Pacific Reset' policy and pledged to deepen relations with the region by providing an additional NZ\$714.2 million aid spending over the next four years, with the majority going to the Pacific, and creating fourteen new diplomatic and development positions offshore to support this aim.⁹ Some of New Zealand's achievements in 2018 on the implementation of this new policy include an increased frequency of leadership diplomacy, improved connectivity between domestic and regional policy and support for the region in addressing security challenges and promoting Pacific leadership on climate change.¹⁰

China's rise in the region would appear to be a major factor driving the new Pacific policies of the US, Australia and New Zealand. As opposed to Barack Obama's engagement policy on China, the US Trump administration views China as a strategic rival and revisionist power that challenges "American power, influence, and interests".¹¹ The 'Pacific Pledge' policy can be interpreted as part of the US efforts to counter China's influence. In November 2019, the US-China Economic and Security Review Commission suggested the reinstatement of US Peace Corps programs in the FSM, Palau and other PICs to promote US values in response to China's rise in the region.¹² Australian politicians have expressed growing concerns about China's influence in the Pacific, a region highlighted as of fundamental importance to Australia in both the foreign policy and defence white papers.¹³ Given that the US and China are Australia's most important strategic ally and largest trading partner respectively, the Australian Government has adopted a more balanced China policy compared with the US, although it supports the US in strengthening a free, open and rules-based Indo-Pacific order.¹⁴ To Winston Peters, New Zealand Deputy Prime Minister and Minister of Foreign Affairs, the Pacific is "attracting an increasing number of external actors and interests. So much is changing in the Pacific, and sometimes it is not for the best".¹⁵ Compared with the US and Australia,

8 DFAT, 'Launch of Australia Pacific Security College', Media release, 14 November 2019, <ministers.dfat.gov.au/minister/alex-hawke-mp/media-release/launch-australia-pacific-security-college> [Accessed 20 November 2019].

9 Winston Peters, 'Pacific Diplomatic Footprint', Beehive.govt.nz website, 4 December 2018, <www.beehive.govt.nz/release/pacific-diplomatic-footprint> [Accessed 3 May 2019]; Winston Peters, 'New Zealand to Boost Development Spending', Beehive.govt.nz website, 8 May 2018, <www.beehive.govt.nz/release/new-zealand-boost-development-spending> [Accessed 9 August 2019].

10 New Zealand Cabinet External Relations and Security Committee, 'The Pacific Reset: The First Year', Minute of Decision ERS-18-MIN-0028 (Wellington: New Zealand Government, 2019).

11 White House, *National Security Strategy of the United States of America* (Washington DC: White House, 2017); Department of Defense, *Summary of the 2018 National Defense Strategy of the United States of America* (Washington DC: US Department of Defense, 2018).

12 US-China Economic and Security Review Commission, *2019 Report to Congress* (Washington DC: US Government Printing Office, 2019), p. 402.

13 Catherine Graue and Stephen Dziedzic, 'Federal Minister Concetta Fierravanti-Wells Accuses China of Funding "Roads That go Nowhere" in Pacific', *ABC News*, 10 January 2018, <www.abc.net.au/news/2018-01-10/australia-hits-out-at-chinese-aid-to-pacific/9316732> [Accessed 15 August 2018]; DFAT, 2017 Foreign Policy White Paper (Canberra: Australian Government, 2017), pp. 101–4; Department of Defence, 2016 Defence White Paper (Canberra: Australian Department of Defence, 2016), pp. 54–56.

14 DFAT, *2017 Foreign Policy White Paper*, pp. 38–40.

15 Lowy Institute, 'Winston Peters on New Zealand in the Pacific', 2 March 2018, <www.lowyinstitute.org/publications/winston-peters-new-zealand-pacific> [Accessed 2 April 2019].

New Zealand does not favour the Indo-Pacific description, which it sees as presenting both opportunities and risks.¹⁶ There are divergences between Australia and New Zealand in the Pacific, and New Zealand's concerns about China (New Zealand's largest trading partner) in the Pacific is less evident than Australia.¹⁷

The concerns of the US, Australia and New Zealand about China are attributable to three major factors. First, China has significantly increased its presence in the Pacific. High-level visits to the region are a useful proxy indicator. The Chinese premier and president paid their first visits to the region in April 2006 and November 2014 respectively, signalling China's growing interest in the Pacific. Xi Jinping also visited Papua New Guinea (PNG) on the margins of 2018 APEC Summit in November. Another 42 ministerial (or above) delegations from China visited the Pacific over the period of 2006–16.¹⁸ The growth of Chinese trade, aid and tourists in the Pacific is also impressive, as discussed below.

Second, the perceived ambiguity of China's motives in the Pacific concerns traditional powers. Compared with Australia, New Zealand and the US, which have historical, geographical and colonial links to PICs, China is a newcomer and external player. According to some commentators, China's fast inroads into the region alarms these powers, which are unsure whether China aims to compete with and ultimately replace them in the long run.¹⁹ China's lack of transparency in the region exacerbates these concerns. Foreign aid is a typical example. Though foreign aid has become a main component of China's diplomacy in the Pacific and the volume has soared in the past decade, the Chinese government does not release official data on its annual aid budget and breakdown of aid spending by country and year. As a result, Chinese aid spending in the Pacific and the materialisation of aid commitments made by Chinese leaders is extremely difficult to verify. The Lowy Institute estimates there is an enormous gap of over US\$5 billion between Chinese aid commitments (US\$6.36 billion) and disbursements (US\$1.28 billion) to PICs between 2011 and 2017.²⁰ This inevitably forces analysts to play the game of “putting together the jigsaw puzzle”,²¹ making space for speculation.

Third, the distinctive means by which China engages with Pacific Island countries is of concern to traditional powers. China's fast-growing infrastructure projects across the Pacific region are largely dominated and driven by the state, although in some cases Chinese state-owned Enterprises (SOEs) have played an important role in initiating

16 Ben King, 'Remarks on the Indo-Pacific—Ben King, Deputy Secretary for Americas and Asia', New Zealand Ministry of Foreign Affairs and Trade, 23 October 2018, <www.mfat.govt.nz/en/media-and-resources/ministry-statements-and-speeches/remarks-on-indo-pacific-ben-king/> [Accessed 10 July 2019].

17 Joanne Wallis and Anna Powles, 'Australia and New Zealand in the Pacific Islands: Ambiguous Allies?', *Centre of Gravity* series no. 43 (Canberra: Strategic and Defence Studies Centre, Australian National University, October 2018).

18 Denghua Zhang, 'China, India and Japan in the Pacific: Latest Developments, Motivations and Impact', *DPA Discussion Paper* 2018/6 (Canberra: Department of Pacific Affairs, ANU, 2018), p. 3.

19 John Henderson and Benjamin Reilly, 'Dragon in Paradise: China's Rising Star in Oceania', *The National Interest*, vol. 72 (2003), pp. 94–104; Tamara Renee Shie, 'Rising Chinese Influence in the South Pacific: Beijing's 'Island Fever'', *Asian Survey*, vol. 47, no. 2 (2007), pp. 307–26.

20 Lowy Institute, 'Pacific Aid Map', <pacificaidmap.lowyinstitute.org> [Accessed 21 November 2019].

21 Sven Grimm, Rachel Rank, Matthew McDonald and Elizabeth Schicklerling, *Transparency of Chinese Aid: An Analysis of the Published Information on Chinese External Financial Flows* (Stellenbosch: University of Stellenbosch, 2011), p. 22.

projects and subsequently approaching Beijing for financial support.²² Chinese SOEs are also default contractors to conduct Chinese aid projects, especially concessional loan projects, which were designed in China's 'going out' strategy in the late 1990s to support Chinese SOEs to explore overseas markets and sharpen their competitive edge, which in turn contributes directly to the state-controlled economy back in China. Not surprisingly, Chinese SOEs such as China Civil Engineering and Construction Corporation and China Harbour Engineering Corporation entered Pacific markets by contracting Chinese aid projects, before moving on to bid for commercial contracts. According to China's official figures, as of 2016, forty-seven of the sixty-seven Chinese companies operating in China's eight diplomatic partner PICs were state-owned,²³ which is telling evidence that SOEs dominate Chinese business operations in the region.

Another major difference between China and traditional powers is associated with China's government-to-government approach and its limited engagement with non-government stakeholders, especially civil society groups in PICs. This approach is seen by some analysts²⁴ to bring both advantages, such as efficiency in project delivery, and disadvantages, such as a lack of strong community consultation. In addition, China's interest in engaging and coordinating with traditional powers is limited. Although China has conducted trilateral aid projects with Australia in PNG and with New Zealand in the Cook Islands respectively, they were launched some years ago and have not led to any further activity in other countries. Chinese attendance at donors' roundtable discussions is rare, and China has refused to sign up to the Cairns Compact on Strengthening Development Coordination in the Pacific, which was adopted at the Pacific Islands Forum meeting in 2009. This is another factor in traditional powers' mistrust of China.

More broadly, the entrenched strategic mistrust between communist China and the democratic traditional powers is the root cause of the latter's growing concerns about China's increased presence in the Pacific, even if the trigger for the recent round of concerns has been China's fast-growing engagement with PICs and the Xi Jinping administration's assertive diplomacy. The case of China–Fiji relations since 2006 suggests there are substantial divergences in national interests between China and traditional powers in the region. The military coup that occurred in Fiji in December 2006 received immediate backlash from traditional powers, especially Australia and New Zealand, which condemned it as a direct threat both to democracy in Fiji and to regional stability and imposed sanctions on the military regime. In 2009, Fiji was also suspended from membership of the Pacific Islands Forum and the Commonwealth. Rather than accommodating traditional powers' hard-line positions, Beijing filled the void by markedly intensifying its official engagement with Fiji, while the latter actively implemented a 'Look North' policy and sought closer relations with China and other non-traditional partners.²⁵ China extended substantial political and financial support to Fiji. At China's invitation, Fijian Prime Minister Bainimarama visited China five times between 2008 and 2015. In February 2009, then Chinese vice president Xi Jinping stopped over in Fiji and

22 Denghua Zhang and Graeme Smith, 'China's Foreign Aid System: Structure, Agencies and Identities', *Third World Quarterly*, vol. 38, no. 10 (2017), pp. 2339–40.

23 Zhang, 'China, India and Japan in the Pacific', p. 8.

24 Such as Tom Bamforth, former Australian Red Cross program coordinator in the Pacific, author's interview, May 2019.

25 Sandra Tarte, 'Fiji's "Look North" Strategy and the Role of China', in T. Wesley-Smith and E. A. Porter (eds), *China in Oceania: Reshaping the Pacific?* (New York: Berghahn Books, 2010), pp. 121–24.

met with the interim government despite prior diplomatic protests from Australia and New Zealand.²⁶ With an aggregate aid of nearly US\$333 million, China was the largest donor in Fiji over the period of 2006–13.²⁷

China's Responses

Public remarks by Chinese officials and research by Chinese scholars offer some insights into Beijing's position on the new Pacific policies of the US, Australia and New Zealand or their concerns about China. As the 'Pacific Pledge' is still new, so far, China has not commented specifically on this policy yet. Chinese foreign affairs spokespersons, however, have responded to the US concerns about China's activities in the Pacific. In November 2018, Hua Chunying refuted US Vice President Mike Pence's criticism of Chinese loans for creating debts in PICs at the APEC CEO Summit in Port Moresby, arguing that China's activities are welcomed by PICs and the Pacific should serve as a region for cooperation rather than for geopolitical competition or confrontation.²⁸ In March 2019, Lu Kang, then foreign affairs spokesperson and incumbent director-general of the Department of American and Oceanian Affairs at China's Ministry of Foreign Affairs, described remarks by US ambassador to Australia Arthur Culvahouse Jr (who had accused China of using "payday loan diplomacy" in the Pacific) as "constantly making troubles out of nothing".²⁹ Chinese scholars of Pacific studies have mainly focused on the US Indo-Pacific Strategy generally rather than singling the Pacific region out.

Similarly, the Chinese government has responded strongly to Australia's concerns about China's activities in the Pacific. In January 2018, then Australian Minister for International Development and the Pacific Concetta Fierravanti-Wells described Chinese aid in the Pacific as being useless, saying that "we just don't want to build a road that doesn't go anywhere".³⁰ This remark was slammed by Chinese foreign affairs spokesperson Lu Kang as being irresponsible and finger-pointing.³¹ Three months later, Australian Prime Minister Malcolm Turnbull expressed grave concerns over the possible establishment of any foreign military base in the Pacific following reports that China was seeking to build a naval base in Vanuatu. While denying the allegation, China's Ministry of Foreign Affairs questioned about Australia's deep involvement in Pacific affairs, saying that "The South

26 Michael Field, 'NZ Shamed China over Fiji Visit—WikiLeaks', Stuff, 28 April 2011, <www.stuff.co.nz/national/politics/4934713/NZ-shamed-China-over-Fiji-visit-WikiLeaks> [Accessed 10 August 2019].

27 Denghua Zhang, 'China's Diplomacy in the Pacific: Interests, Means and Implications', *Security Challenges*, vol. 13, no. 2 (2017), p. 48. It is worth noting that according to the Lowy Institute, China has been overtaken by traditional donors such as Australia and Japan in aid to Fiji after these donors removed sanctions against Fiji following the general election in September 2014. See Lowy Institute, 'Pacific Aid Map'.

28 China Ministry of Foreign Affairs (MFA), 'Foreign Ministry Spokesperson Hua Chunying's Remarks on US Vice President Mike Pence's China-related Comments', 18 November 2018, <www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1614121.shtml> [Accessed 18 November 2019].

29 China MFA, 'Foreign Ministry Spokesperson Lu Kang's Regular Press Conference on March 13, 2019', n.d., <www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1645211.shtml> [Accessed 19 November 2019].

30 Graue and Dziedzic, 'Federal Minister Concetta Fierravanti-Wells Accuses China'.

31 China MFA, 'Foreign Ministry Spokesperson Lu Kang's Regular Press Conference on January 10, 2018', n.d., <www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1524766.shtml> [Accessed 20 November 2019].

Pacific island countries should not be the sphere of influence of any country”.³² This point was reiterated by China in response to claims in the Australian media that Australian Prime Minister Scott Morrison had committed AU\$250 million to support infrastructure development in Solomon Islands in order to contain China’s influence (even though the Australian Government itself made no such claim).³³

Some Chinese scholars argue that the Chinese government should be alert to Australia’s role in supporting the US and Japan in containing China, and be alert to the strategic intentions of quadrilateral security dialogues between the US, Japan, India and Australia.³⁴ Some other scholars suggest that instead of fuelling tensions in China–Australia relations, China should express understanding and respect for Australia’s desire to play a more important role in Indo-Pacific regional affairs.³⁵ Professor Wang Shiming, a senior scholar in Australia and Pacific studies at East China Normal University, argues that China and Australia have more common interests than divergencies in the Pacific and more cooperation between the two countries would enrich their bilateral relationship and serves the interest of Pacific Island states.³⁶

New Zealand’s ‘Pacific Reset’ policy has received much less attention from China compared to the Pacific policies of the US and Australia. In 2019, a scholar in Pacific research from the China Institute of Contemporary International Relations argued that the ‘Pacific Reset’ was designed to improve PICs’ perceptions of New Zealand and she suggested the New Zealand government think harder on how to cooperate with China in the Pacific region.³⁷

The responses of Chinese officials and scholars in Pacific Studies who provide counsels to the Chinese government, as outlined above, reflect its strategic unease about US, Australian and New Zealand efforts to counter China’s influence in the Pacific. Though this region is not a priority in China’s diplomacy, the Chinese government’s interest in this region has grown in the past decade. It has grouped PICs into China’s extended neighbourhood, or “greater periphery (*da zhoubian*)”.³⁸ In recent years, ‘neighbourhood diplomacy’, a term that refers to China’s diplomatic policies with the aim of creating an amicable, secure and prosperous neighbourhood, has received more attention from the Chinese leadership in support of its efforts to repair relations with South-East Asian

32 China MFA, ‘Foreign Ministry Spokesperson Geng Shuang’s Regular Press Conference on April 11, 2018’, n.d., <www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1549999.shtml> [Accessed 15 November 2019].

33 China MFA, ‘Foreign Ministry Spokesperson Geng Shuang’s Regular Press Conference on June 4, 2019’, n.d., <www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1669571.shtml> [Accessed 21 November 2019].

34 Xu Shaomin, ‘Australian Views of the “Indo-Pacific”: Implications, Drivers and Prospects’, *Journal of Contemporary Asia-Pacific Studies*, no. 3 (2018), pp. 115–56; Wang Jingchao, ‘The Research on Japan–Australia Maritime Security Cooperation: Historical Evolution, Motivations and Prospect’, *Pacific Journal*, vol. 26, no. 9 (2018), pp. 35–46; Zhang Jie, ‘The Quadrilateral Security Dialogue and Restructuring of Asia-Pacific Regional Order’, *China International Studies*, no. 5 (2018), pp. 59–73.

35 Zhou Fangyin and Wang Wan, ‘Ao da li ya shijue xia de yintai zhanlue ji zhongguo de yingdui [The Indo-Pacific Strategy from Australia’s Perspective and China’s Response]’, *Contemporary International Relations*, no. 1 (2018), p. 52.

36 Wang Shiming, ‘Open Regionalism and China–Australia Cooperation in the South Pacific Islands Region’, *China International Studies*, no. 75 (March/April 2019), pp. 84–108.

37 Tian Jingling, ‘Taipingyang chongzhi: xin xi lan waijiao huodong de Zhuzhou [Pacific Reset: The Centrepiece of New Zealand’s Diplomacy]’, *World Affairs*, no. 4 (2019), pp. 46–47.

38 Zhang, ‘China’s Diplomacy in the Pacific’, p. 45.

countries amid the maritime disputes in the South China Sea.³⁹ Chinese interests in the Pacific include the diplomatic competition with Taiwan, a growing economic stake and voting support at the UN. The extent of China's military interest in the Pacific, though, remains a matter of debate. Ewen Levick, online editor of *Australian Defence Magazine*, argues that China is using strategies in the South Pacific that are similar to those it has used in the South China Sea. These include conducting active operations through scientific research and resource exploration to collect data and increase situational awareness which could have military implications.⁴⁰ The 2019 report produced by the US Congressional Economic and Security Review Commission noted that China's growing engagement with PICs "could threaten the United States' military presence and power projection capacities in the Indo-Pacific".⁴¹ Some Chinese scholars on Pacific studies, however, downplay China's military ambitions in the Pacific, citing the low importance of PICs in China's broad diplomacy and China's inability to challenge US military predominance.⁴²

China may respond assertively if it perceives that its Belt and Road Initiative (BRI) is under threat from traditional powers' new Pacific policies. This is because of the paramount importance the Chinese government attaches to BRI as it is President Xi Jinping's signature program and is expected to endure as his theoretical legacy.⁴³ As a Chinese expert on international relations explained to the author, politically the Xi Jinping administration cannot afford to let BRI fail, and will spare no effort in ensuring BRI implementation overseas.⁴⁴ BRI is envisaged by the Chinese government to connect China with countries in Asia, Africa, Europe, South America and the Pacific. Economically, this program could provide an opportunity for China to offshore its excess industrial capacity and for Chinese SOEs to contract a large number of infrastructure projects in partner countries. Strategically, by promoting regional connectivity and economic integration, the Chinese government aims to strengthen its global and regional influence. In the Pacific, this might imply a rupture from the traditional regional architecture supported by the US, Australia and New Zealand.

In the Pacific, all China's ten diplomatic partner countries have signed up to BRI, but BRI cooperation is still in its infancy. In October 2019, the third conference of the China-Pacific Economic Development and Cooperation Forum was hosted by China in Apia, Samoa. China announced a new series of aid, trade and other support measures to stimulate Pacific states' participation in the BRI.⁴⁵ To further support the BRI, the Chinese

39 Zhang Yunling, 'China and Its Neighbourhood: Transformation, Challenges and Grand Strategy', *International Affairs*, vol. 92, no. 4 (2016), pp. 835–48; Xinhua, 'Spotlight: How China's Neighborhood Diplomacy Brings Shared Prosperity', 25 October 2018, <www.xinhuanet.com/english/2018-10/25/c_137555837.htm> [Accessed 17 December 2019].

40 Ewen Levick, 'Is China Using Its South China Sea Strategy in the South Pacific?' *The Strategist*, Australian Strategic Policy Institute, 18 June 2019, <www.aspistrategist.org.au/is-china-using-its-south-china-sea-strategy-in-the-south-pacific/> [Accessed 15 December 2019].

41 US-China Economic and Security Review Commission, *2019 Report to Congress* (Washington DC: US Government Printing Office, 2019), p. 432.

42 Author's interviews with four Chinese scholars, May–June 2019.

43 See also Peter Ferdinand, 'Westward Ho—The China Dream and "One Belt, One Road": Chinese Foreign Policy under Xi Jinping', *International Affairs*, vol. 92, no. 4 (2016), pp. 941–57.

44 Author's interview, May 2019.

45 Xinhua, 'China, Pacific Island Countries Hold 3rd Economic Development and Cooperation Forum', 21 October 2019, <www.xinhuanet.com/english/2019-10/21/c_138490687.htm> [Accessed 21 November 2019].

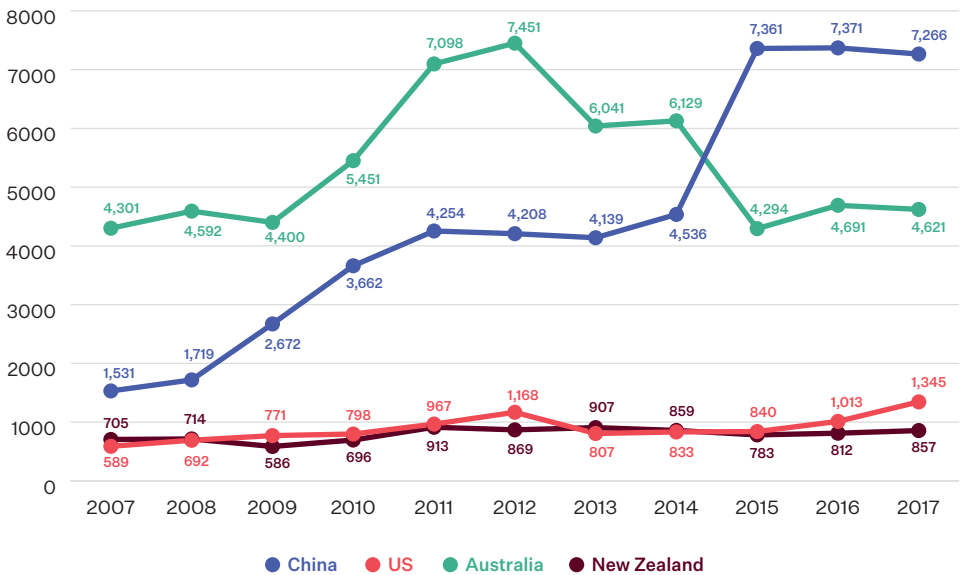
government has even tasked Beijing International Studies University with launching an ambitious teaching program that will cover languages of all China's partner PICs, such as Bislama, Cook Islands Maori, Fijian, Niuean, Samoan, Tok Pisin and Tongan. Despite the anticipated difficulties in finding qualified Chinese teachers and securing jobs for students after graduation, the introduction of this program is telling evidence of China's serious commitment to promote BRI at all costs. As the US, Australia and New Zealand are just starting to implement their Pacific policies,⁴⁶ whether and how these policies would affect China's influence and BRI in the Pacific remains to be seen.

Trends in China–PICs Engagement

Whether traditional powers' concerns about China are exaggerated and what the trends in China-PICs engagement are, warrant research. This section compares the engagement of China, the US, Australia and New Zealand with the Pacific region in the last decade, which could cast some light on these trends. It will focus on trade, aid and tourism, which represent China's fastest growing sectors in the region. It also discusses some of China's new efforts to enhance engagement with PICs in these sectors.

Trade

Figure 1: China/US/Australia/New Zealand-PICs two-way trade in 2007–17, USD million



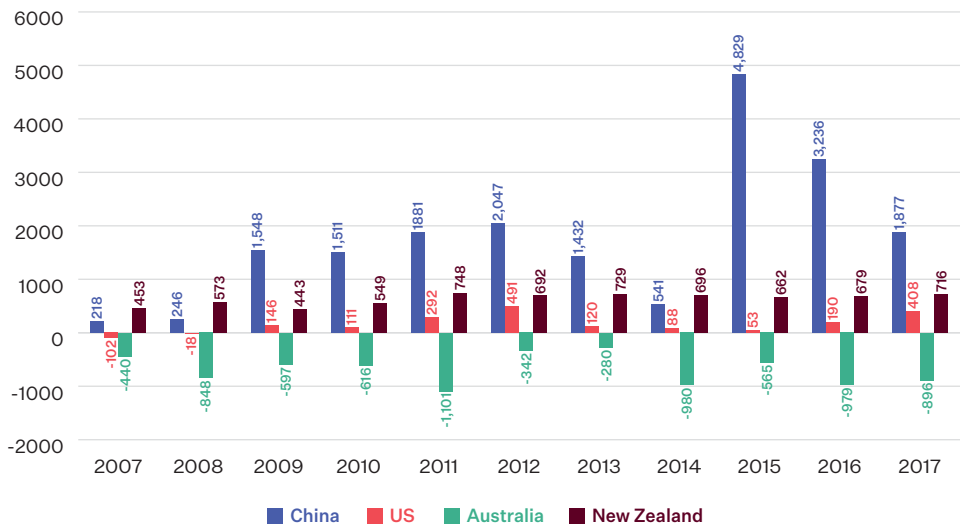
Source: compiled by author based on World Bank data.⁴⁷

⁴⁶ It is fair to say that many of Australia and New Zealand's 'new' approaches are not new per se, but turbo-charged versions of existing policies.

⁴⁷ World Bank, 'Trade Statistics by Country/Region', WITS, n.d., <wits.worldbank.org/countrystats.aspx?lang=en> [Accessed 5 May 2019].

As Figure 1 illustrates, in comparison with the US, Australia and New Zealand, two-way merchandise trade between China and the fourteen sovereign states in the Pacific has increased strongly over the period of 2007-17. In 2017, China-PICs trade totalled US\$7,266 million which is 4.7 times the volume it was in 2007. Since 2015, Australia has been overtaken by China as the region’s largest trading partner. Two-way trade between the US and the Pacific region was less than one-fifth of China-PICs trade in 2017. For New Zealand, its trade with PICs was slightly more than one-tenth of that of China in 2017. (It should be noted here that the statistics for China’s trade with the Pacific are significantly distorted by the notional export of ships to Marshall Islands to take advantage of its international shipping register; see below for a discussion of this.)

Figure 2: China/US/Australia/New Zealand-PICs two-way trade balance in 2007–17, USD million



Source: compiled by author based on World Bank data.

Figure 2 presents the other side of the story. China has been in large trade surplus with the fourteen PICs. These countries export far less to China than they import from China, and the trade imbalance is skyrocketing in China’s favour. In 2007, China had a trade surplus of US\$218 million, which peaked at US\$4,829 million in 2015. Although the imbalance decreased to US\$1,877 million in 2017, it is still nearly nine times the level in 2007. In stark contrast, two-way trade between Australia and the PICs has been in the PICs’ favour. In 2007, PICs enjoyed a trade surplus of US\$440 million and the figure increased by 58% to US\$896 million in 2017. With respect to the US, it moved from trade deficit with the PICs to surplus in recent years, though the amounts were much smaller than China-PICs trade surplus. New Zealand maintained a relatively stable trade surplus with the PICs over the period of 2007–17.

It is not an easy task to remedy the huge trade imbalance between China and PICs, despite China's pledges to facilitate PICs' exports to China, such as granting zero tariff to 97% of products from least developed Pacific states.⁴⁸ PICs face a number of constraints in areas including economic scale, quarantine standards and processing capacity, which have greatly limited the growth of their exports to China (and other countries). It deserves attention that both PIC exports to China and imports from China are uneven. Currently, the lion's share of PIC exports to China is from PNG (mainly minerals and liquefied natural gas) and Solomon Islands (mainly timber). These two PICs exported US\$2,070 million and US\$554.8 million worth of goods to China in 2017, representing 76.8% and 20.5% of total exports of all the 14 PICs combined.⁴⁹ This means exports from all other PICs to China merely accounted for 2.7% of the region's total export to China. In terms of PICs' imports, RMI has imported the majority of Chinese goods to the region. In 2017, RMI imports from China reached nearly US\$3.1 billion, which accounts for two-thirds of China's exports to the fourteen PICs combined.⁵⁰ As RMI is the world's second largest ship registry, the country mainly imports ships and boats from China and then re-exports them to other countries. If trade with RMI is excluded, China-PICs trade is more balanced and much smaller than it would appear at first sight. In a word, the growing trade between China and the Pacific is essentially composed of extractive resources from PNG and Solomon Islands, and a notional export of ships and boats to RMI.

Aid

The establishment of the China-Pacific Islands Economic Development and Cooperation Forum in April 2006 opened the door for the inflow of large-scale Chinese aid, especially concessional loans to the region. Being one of the three types⁵¹ of Chinese aid, concessional loans have an interest rate of 2–3% and a repayment period of 15–20 years including five to seven years of grace. In April 2006 and November 2013, China pledged two large concessional loans to the Pacific worth US\$474 million (RMB 3 billion) over the next three years and US\$1 billion over the next four years respectively.⁵² Chinese aid has increased significantly, making China a major donor in the Pacific. Judged by spent aid, China was the third largest donor in the Pacific in 2016 and the fourth largest in 2017.⁵³ Based on available data from the Lowy Institute, Figure 3 compares Chinese aid with aid from the US, Australia and New Zealand between 2011 and 2017. Chinese aid here covers the eight PICs that have diplomatic relations with China, while aid from the US, Australia and New Zealand covers all fourteen PICs. The time length is too short to predict the trend, but it gives a basic idea of Chinese aid growth in recent years.

48 Xinhua, 'China, Pacific Island Countries Announce Strategic Partnership', 23 November 2014, <www.chinadaily.com.cn/world/2014xiattendg20/2014-11/23/content_18961677.htm> [Accessed 2 May 2018].

49 The figures are compiled by author based on raw materials from the World Bank website <wits.worldbank.org/countrystats.aspx?lang=en>.

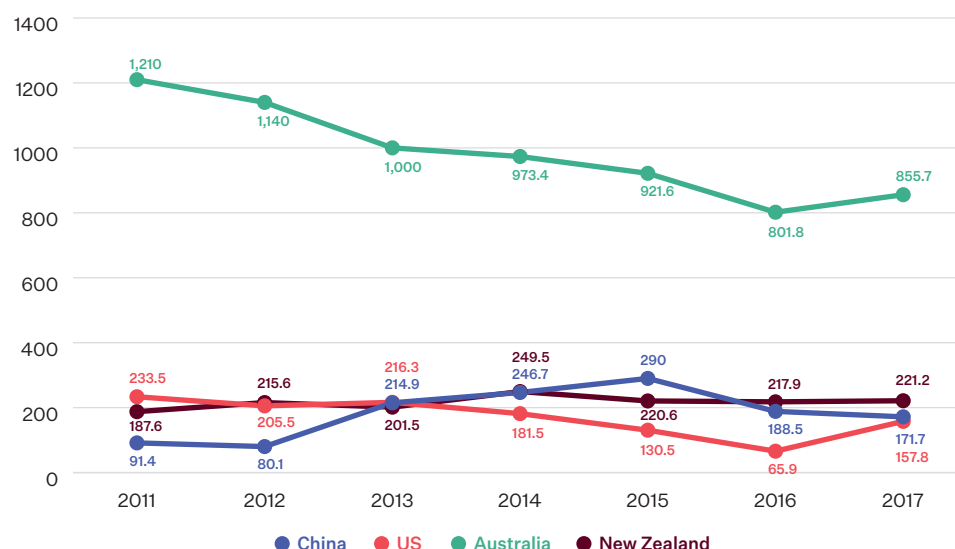
50 Ibid.

51 The other two are grants and interest-free loans.

52 Zhang, 'China, India and Japan in the Pacific', p. 6.

53 Lowy Institute, 'Pacific Aid Map'.

Figure 3: Aid from China/US/Australia/New Zealand to PICs in 2011-17, USD million



Source: compiled by author based on Lowy Institute data.

When measured in USD, as shown in Figure 3, it appears that Australian aid spending in the Pacific declined over the period 2011-16 before it picked up in 2017. That said, in Australian dollar terms, Australian aid to PICs fluctuated only slightly between 2011 and 2017, and Australia increased aid to PICs to a record AU\$1.4 billion in 2019-20.⁵⁴ Chinese aid spending in the region has seen notable fluctuations. The amount peaked at US\$290 million in 2015, but it dropped to US\$171.7 million in 2017. In short, Australia remains comfortably the largest donor in the Pacific and leaves the other major donors well behind. It seems unlikely that the other major donors including China will overtake Australia in the near future. In terms of aid forms, Chinese aid to PICs is dominated by concessional loans, which is in contrast to the aid in grants from traditional donors. However, Australia is changing its approach and, in addition to its large grant aid allocation for the Pacific, has established the aforementioned AU\$2 billion loan facility to support infrastructure in PICs.

Although China is likely to expand its aid spending in the Pacific, this could be compromised by the uncertainty of China's economic prospects. After more than thirty years of rapid economic growth since 1978, averaging 9.8% annually between 1978 and 2013, China's economic growth has fallen below 7% consistently since 2015, and was 6.6% in 2018.⁵⁵ The economic slowdown is expected to continue in the near future,

⁵⁴ DFAT, 'Aid Budget and Statistical Information', n.d., <dfat.gov.au/aid/aid-budgets-statistics/Pages/default.aspx> [Accessed 12 August 2019]; DFAT, *Australian Aid Budget Summary 2018-19* (Canberra: DFAT, 2018), p. 6; DFAT, *Australian Aid Budget Summary 2019-20* (Canberra: DFAT, 2019), p. 6.

⁵⁵ Justin Yifu Lin and Zhang Fan, 'Sustaining Growth of the People's Republic of China', *Asian Development Review*, vol. 32, no. 1 (2015), p. 32; World Bank, 'GDP Growth (Annual %)', <data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=CN> [Accessed 2 July 2019].

which is exacerbated by the trade war between China and the US. As the US is China's largest export destination, absorbing nearly one-fifth of China's total exports in 2017, the increase of US tariffs on Chinese merchandise will have a substantial adverse impact on China's economic outlook. An economic slowdown would inevitably force China to rein in the growth of its foreign aid budget, though the impact on PICs might be smaller than other regions because the Pacific only receives about 4% of Chinese total aid.⁵⁶

Tourism

The Pacific has started to become a popular destination for Chinese tourists who are looking for new destinations beyond Asia, Europe and the US. As of November 2019, all China's ten partner PICs except Niue⁵⁷ have been granted Approved Destination Status for Chinese tourists: Tonga (2003), Fiji (2004), Cook Islands (2004), Vanuatu (2005), Federated States of Micronesia (2006), PNG (2006) Samoa (2006), Solomon Islands (2019) and Kiribati (2020). It makes it legal for Chinese travel agencies to organise group package tours in these countries and allows the advertising of tourism products in China. This has driven the growth of Chinese tourism in the Pacific and China has become the fastest-growing market in the region. In 1995, the number of Chinese arrivals in the Pacific was only 278 which increased to 3,969 in 2008 and jumped to 127,620 in 2017.⁵⁸ Palau is by far the most popular destination among PICs for Chinese tourists who are attracted to the lagoons and diving spots in the country. In 2008, 684 Chinese tourists visited Palau, but in 2015 the number had increased steeply to 87,058, which represents 57% of all Chinese tourists in the Pacific.⁵⁹ This suggests a similar conclusion to that on trade: while seen in aggregate the numbers look impressive, when dissected they focused on a small number of markets.

That said, China still lags behind the US, and especially Australia and New Zealand, by a large margin in terms of tourist arrivals in the Pacific (see Figure 4). In 2015, the number of Chinese tourists in the Pacific reached a peak of 153,119, which is merely a quarter, 42% and 78% of Australian, New Zealand and US tourists respectively.⁶⁰

It is worth noting that the number of Chinese visitors to Palau declined in recent years thanks to the revived diplomatic competition between China and Taiwan since the pro-independence Democratic Progressive Party took power in Taiwan in May 2016.

56 Zhang, 'China, India and Japan in the Pacific', p. 6.

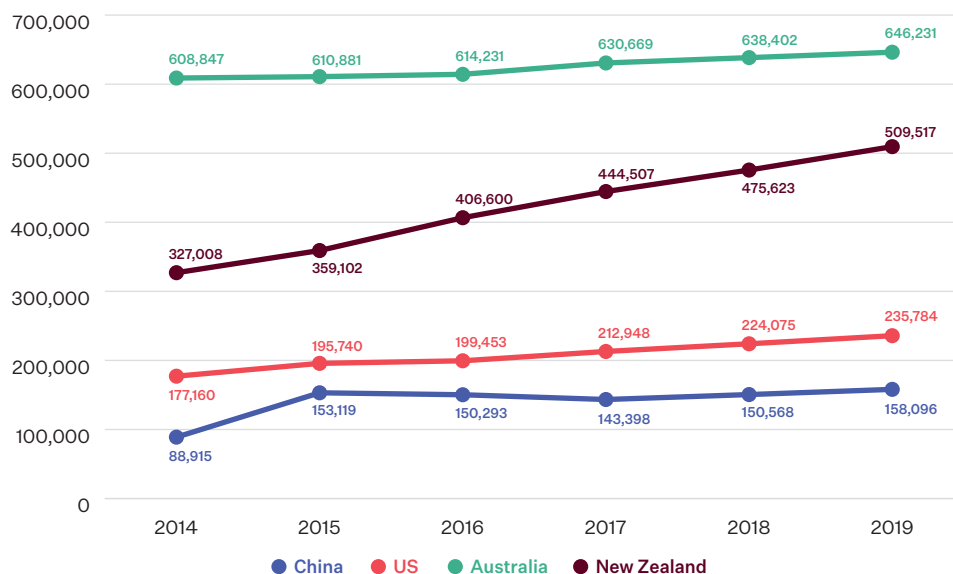
57 China has not granted the status to Niue because it is too small and the interest for Chinese tourists is limited.

58 John Gerard Perrottet and Andres F. Garcia, *Tourism (English)*, Pacific Possible series; background paper no. 4 (Washington DC: World Bank, 2016), p. 36; South Pacific Tourism Organization (SPTO), *Annual Review of Visitor Arrivals in Pacific Island Countries* (Suva: SPTO, 2018), p. 16. Please note due to data availability, these figures cover nine PICs including Palau, Fiji, PNG, FSM, Samoa, Vanuatu, Tonga, RMI and Tuvalu, which attract the majority of Chinese tourists visiting the fourteen independent PICs. French Polynesia is a popular destination for Chinese tourists among the territories in the Pacific. In 2017, 5,430 Chinese tourists visited it.

59 SPTO, *Annual Review of Visitor Arrivals in Pacific Island Countries 2016* (Suva: SPTO, 2017), p. 14; Lauren Beldi, 'China's "Tourist Ban" Leaves Palau Struggling to Fill Hotels and an Airline in Limbo', ABC News, 28 August 2018, <www.abc.net.au/news/2018-08-26/china-tourist-ban-leaves-palau-tourism-in-peril/10160020> [Accessed 10 November 2018].

60 Japan is another major tourist source for PICs. In 2015, 78,704 Japanese tourists visited the Pacific which is about half the number of Chinese tourists.

Figure 4: Chinese/US/Australian/New Zealand tourist arrivals in PICs in 2014–19



Source: compiled by author based on data from SPTO annual reports.⁶¹

Note: Figures for 2018 and 2019 are forecasts.

Tourism has become a tool for China to pressure Palau, which is a supporter of Taiwan. China's *Regulation on Travel Agencies* stipulates in article 25 that "The travel agencies engaging in outbound travel business shall not organize tourists to travel in the countries and regions out of the list of Chinese citizens' outbound travel destinations publicized by the competent travel administration under the State Council".⁶² Promulgated in February 2009, this regulation was not strictly implemented during the period of diplomatic truce (May 2008–May 2016) between China and the Kuomintang administration in Taiwan, and China allowed travel agencies to organise tours to Palau.

Since mid-2016, China has tightened control over its travel agencies. In early 2019, the Chinese government issued a memo reminding Chinese travel agencies that it is illegal to organise tour groups to countries that are not on the list of approved tourist destinations.⁶³ Clearly, all countries including Palau that diplomatically recognise Taiwan are not on the list. As *Business Management Review*, a magazine affiliated to the China Academy of Social Sciences, reported, MaFengWo, a large Chinese social-media travel platform that provides information to help users with their travel plans, was reprimanded by Chinese government agencies in April 2019 for publishing travel information such as travel diaries about countries that do not recognise China, and was ordered to

61 SPTO, *Annual Review of Visitor Arrivals in Pacific Island Countries 2016*, p. 43; SPTO, *Annual Review of Visitor Arrivals in Pacific Island Countries 2017*, p. 50.

62 'Regulation on Travel Agencies', China's Ministry of Commerce, n.d., <http://www.fdi.gov.cn/1800000121_39_4577_0_7.html> [Accessed 20 May 2018].

63 Beldi, 'China's "Tourist Ban" Leaves Palau'.

“take immediate corrective actions”.⁶⁴ As a result, the number of Chinese tourists to Palau has plummeted since 2016, decreasing by 25% from 87,058 in 2015 to 64,990 in 2016, and shrinking further by 11% to 57,866 in 2017.⁶⁵ The Taiwanese Palau Pacific Airway which used to transfer Chinese tourists between Hong Kong and Palau has suspended its operations.

The fall in the number of Chinese arrivals in Palau can also be related to the restrictive measures on Chinese mass arrivals put in place by the Palau government in April 2015 in response to concerns over the impact on that country’s environment and inadequate accommodation capacity, and Palau’s attempt to develop a high-end tourism sector with fewer but high-spending tourists.⁶⁶ In May 2019, Palau’s President Tommy Remengesau expressed explicitly his concerns about China’s expansionism into the Pacific and his support for a greater US military presence in the region to counter China’s influence.⁶⁷ This statement may trigger more restrictions from the Chinese government on its tourists visiting Palau. The number of Chinese tourists to Palau is expected to continue to decrease in the near future.

The Chinese government is making greater efforts to increase the number of Chinese tourists to those PICs that recognise China. The China-Pacific Tourism Year of 2019 was kicked off in April 2019 in Apia, Samoa, with China pledging to enhance bilateral cultural and people-to-people exchanges. Even so, the lack of direct flights between China and PICs remains a major constraint on the growth of Chinese tourism in the near future. Besides Hong Kong and Macau, visitors mainly need to transit through Australia or New Zealand, creating additional issues of visa and cost. Wang Xuefeng, then Chinese ambassador to Samoa, noted in August 2018 that it is not yet viable to open up direct flights between China and Samoa and a more practical option would be to organise charter flights.⁶⁸

Conclusion

Amid growing interest from both policy and academic circles on traditional powers’ increased engagement with the Pacific and China’s rise in the region, this paper has briefly discussed the US, Australia and New Zealand’s new Pacific policies and their concerns about China. To some extent, these concerns hold water as China has made fast inroads into the region since 2006. However, in terms of trade balance, Australia is a more important partner of PICs than China. Similarly, Chinese aid is at a similar level as that of the US and New Zealand and lags far behind Australia. For PICs, each of the three traditional powers is a more important tourist source than China.

64 ‘MaFengWo bei yuetan, fengbo beihou de neirong bianxian mitu [MaFengWo Was Interviewed, Mystery behind the Accident Becomes Clear]’, *Business Management Review*, 4 April 2019, <www.bmronline.com.cn/index.php?m=content&c=index&a=show&catid=9&id=1247> [Accessed 2 June 2019].

65 SPTO, *Annual Review of Visitor Arrivals in Pacific Island Countries 2017*, p. 16.

66 Beldi, ‘China’s “Tourist Ban” Leaves Palau’; Zhang, ‘China’s Diplomacy in the Pacific’, p. 39.

67 Rhealyn Pojas, ‘China Militarization Is Everyone’s Issue in the Pacific: Remengesau’, *Island Times*, n.d., <islandtimes.us/china-militarization-is-everyones-issue-in-the-pacific-remengesau/> [Accessed 13 August 2019].

68 Xuefeng Wang, ‘A More Beautiful Samoa in the Eyes of Chinese Ambassador’, *Samoa Observer*, 9 August 2018.

In the near or medium future, it is likely that China will continue its own way of engagement with PICs. It will not respond strongly to the growing engagement of the US, Australia and New Zealand with the region. However, a strong backlash from China is expected if China feels its BRI in the Pacific is threatened by these traditional powers, which deserves more research.

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The Militarisation of China in the Pacific: Stepping Up to a New Cold War?¹

Michael O’Keefe

Introduction

In Australia, the volume of commentary on the implications of China’s foreign policy, especially in the South Pacific,² is increasing exponentially while simultaneously narrowing in focus. Commentary is concentrating on geopolitics, while the perspectives of Pacific specialists that reflect more closely on Pacific conditions and the agency of Pacific leaders are being sidelined and this may ultimately be at the detriment to the sustainability of the government’s Pacific ‘Step Up’. Two interconnected trends are becoming clear:

First, assumptions about China’s motivations are becoming orthodoxies and in the process China’s actions are being militarised. Militarisation relates to a tendency to interpret threats through a military security lens and to prescribe military solutions to counter them.³ Militarisation narrows the object of security to focus on state security in relation to threats from other states while devaluing non-traditional perspectives, such as human and environmental security where the referent object being secured is not delimited by state sovereignty. This means that China’s activities in the South Pacific are viewed as a strategic threat to Australia that is best countered through military means while the non-military security concerns of Pacific Island countries (PICs), such as climate change, are frequently overlooked.

Militarisation involves declaratory policy statements, media commentary and operational commitments. Militarisation can be seen in both how China’s actions are routinely interpreted and in Australia’s foreign policy responses to them. Militarism is evident in a range of activities from the optics of the Prime Minister’s policy announcement of this “New Chapter” in Pacific relations in front of Australia’s Ready Deployment Force at Lavarack Barracks in Townsville, to the increases in rotational deployments of ships and aircraft as part of the Pacific Maritime Security Programme, the gifting of new patrol boats to PICs, the sale of defence equipment, and the upgrading and development of regional bases such as Manus Island in Papua New Guinea and Black Rock in Fiji. Defence

1 This article has its genesis in a paper presented to the *How does the ‘Pacific’ fit into the ‘Indo-Pacific’? The changing geopolitics of the Pacific Islands’ Workshop* held at the ANU in June 2019. I am grateful to the editors and two anonymous referees for their comments on an earlier draft. As always, any errors or omissions are entirely my own.

2 The focus on this paper is Australia’s foreign policy toward the South Pacific, but it is commonplace in government documents and media commentary to refer to the Pacific and this convention is used where relevant.

3 Anna Stavrianakis and Jan Selby (eds), *Militarism and International Relations: Political Economy, Security, Theory* (London: Routledge, 2012).

cooperation works to meet Pacific needs in relation to humanitarian assistance and disaster relief (HADR) and also achieve strategic denial by reinforcing Australia's White Paper strategy of maintaining its position as a "security partner of choice".

The military aspects of the 'Step Up' should not be overstated, but the point is that this is an outcome of the militarised tone in the commentary where Canberra's defence cooperation with the Pacific is viewed as a direct counter to China. Headlines highlighting the China threat are commonplace while Australia's longstanding and extensive Regional Aid Program's focus on governance, gender and climate resilience hardly rates a mention. Similarly, the role of economic and social aspects of the 'Step Up', such as the \$2 billion Australian Infrastructure Financing Facility (AIFF), and 'people to people' links through education and seasonal worker schemes, in maintaining Australia's regional influence are underestimated by this commentary, further reinforcing militarisation.⁴

Second, militarisation is in part a consequence of a lack of debate between strategists and Pacific specialists and narrow media reportage. A curious 'non-debate' exists between, on the one hand, Australian defence strategists and, on the other hand, Australian Pacific specialists⁵ who see two quite different South *Pacifics*. Strategists tend to view the Pacific primarily as a venue for geostrategic contest, while Pacific specialists view the Pacific in terms of history, geography and identity. These two *Pacifics* exist parallel to one another and co-exist temporally, but involve very different etymologies. The first Pacific is a potential battlespace where external powers compete for relative advantage. The other Pacific is a seascape dotted with isolated islands populated by diverse peoples endeavouring to maintain traditional ways of living while engaging with the globalised economy. The differences in vantage is exemplified in the juxtaposition between the evolution of the 'Indo-Pacific' moniker as both a geographic entity and grand strategy,⁶ and the development of the 'Blue Pacific' as an expression of PIC interests in the face of external powers who are increasingly viewing the Pacific through a geopolitical lens.⁷ It must be noted that this essentialised description of strategists and Pacific specialists has elements of caricature, but this is a device used to highlight the dominance of militarised views in public commentary.

Much of the commentary in Australia now emphasises the strategists' view of the Pacific, and increasingly discusses militarised 'worst-case' scenarios. Numerous declaratory statements, such as the 2017 Foreign Policy White Paper acknowledge the possibility of cooperation with China, but much of the recent media commentary on 'debt traps' and bases in the Pacific emphasises strategic competition. This diminishes both the government's longstanding 'soft power' approach to Pacific policy that is evidenced in the

4 'Stepping-up Australia's Engagement with Our Pacific Family', Department of Foreign Affairs and Trade, <dfat.gov.au/geo/pacific/engagement/Pages/stepping-up-australias-pacific-engagement.aspx> [Accessed 4 January 2019].

5 The term 'Pacific specialists' is used throughout to denote the academic and practitioners from history, development studies, area studies, international relations, anthropology, geography, etc. which have a primary focus on the Pacific.

6 US Department of Defense, *Indo-Pacific Strategy Report: Preparedness, Partnerships and Promoting a Networked Region* (Washington DC: Department of Defense, 2019); <media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF> [Accessed 3 August 2019].

7 Wesley Morgan, 'The Indo-Pacific and the Blue Pacific', *Devpolicy Blog*, Development Policy Centre, ANU, 22 August 2018, <www.devpolicy.org/the-indo-pacific-and-the-blue-pacific-20180822/> [Accessed 22 August 2018].

non-militarised aspects of the ‘Step Up’ and also overshadows the non-traditional security interests of PICs that Australian development assistance has historically focused on. While China may become a military threat to Australian interests, this is not yet inevitable and policy options should not be limited by binary thinking. Of equal importance is ensuring that Australian foreign policy does not inadvertently act against Australia’s long-term strategic interests in the South Pacific, and a further aim of this article is to highlight that rushing to militarise China in the Pacific may in fact alienate PIC leaders who are focused on non-military threats such as climate change. Involving Pacific specialists more closely in policy debates may provide insights into how to engage the threat perceptions of PICs in ways that achieve both their and Australia’s interests.

An Important Caveat: China May Become a Military Threat to Australia in the Pacific, But This Is Not Inevitable

At the outset it must be clear that China may very well become a military threat to Australia in the Pacific. China has increasingly displayed belligerence in the South China Sea (verging on revisionism in relation to the liberal ‘rules-based order’) and this is compounded by a lack of transparency in dealing with other states with legitimate concerns about its behaviour. China may not be interested in engaging as a responsible global citizen and it may in fact pose a threat to Australia in the future, but the point is to acknowledge that at this juncture this is far from certain and it would be a strategic miscalculation to hasten this possible future through Cold War style framing.⁸ Presently Beijing is doing little to dissuade strategists from drawing militarised conclusions and more work needs to be done to understand Chinese intentions, but this paper is concerned with the interpretation of China’s Pacific foreign policy.

A key aim of this article is to highlight that much of the commentary is already treating China as a threat and that this narrative may narrow policy options. This article does not assume that China’s behaviour is benign, but equally does not seek to hasten the potential for strategic miscalculation that is possible if commentary is blinkered. The aim is to identify a dynamic of non-debate that potentially constrains opportunities to engage with China’s interests in the South Pacific, which could mean that the China threat scenario ultimately becomes a self-fulfilling prophecy. As such, this article reflects on how Australian media commentary is responding to China during this delicate diplomatic era and argues that greater balance needs to be struck between taking account of worst-case scenarios and keeping open the potential for alternative futures.

Two Parallel Pacifics in the Minds of Strategists, Academics and Practitioners

There is general agreement amongst Australian policymakers, analysts and commentators about the geography and characteristics of the South Pacific, but there are two parallel *Pacifics* with respect to security. The prime question that separates these two *Pacifics* is whose security is being secured and why? Subsidiary questions include does Pacific

8 John Gaddis, *The Cold War* (London: Penguin, 2007).

security include the day-to-day wellbeing of Pacific Islanders? Does it include the threat perceptions of PICs themselves? Does it refer to metropolitan powers with interests in the South Pacific? Does it refer to the interests of great powers who can compete in the Pacific?

Australian strategists rightfully focus on Australia's security in the Pacific. Since before Federation Australian threat perceptions have prompted a militarised 'strategy of denial' in the proximate area of primary strategic concern. These threat perceptions are so manifest that they form a key plank in Australia's strategic culture⁹ and through this lens the South Pacific is akin to Australia's Monroe Doctrine or Sphere of Influence.¹⁰ Militarisation reflects the perceived interests of Australia as a metropolitan power and its great power allies and competitors. This is why Canberra routinely identifies military threats to Australia emanating from or through the Pacific. As such Australia's longstanding 'strategy of denial' rightfully serves its strategic interests, but it must be acknowledged that it might either not serve the interests of PICs, or if 'strategic denial' does serve PICs, they may not necessarily perceive it that way. Other aspects of Australia's Pacific foreign policy that build Australia's 'soft power', such as the extensive aid and development program resonate with PICs but they are de-emphasised by the militarised commentary. In an era of increased geopolitical rivalry where PICs are demonstrating growing confidence and independence, appearing to overlook their interests in relation to the threat of climate change, which they perceive as existential and connected to Australia's fossil fuel driven development path, may actually be counter to Australia's long-term strategic interests.

This situation reflects debates amongst International Relations academics over the significance of the referent object of security and the conditions under which it can be achieved.¹¹ From a theoretical standpoint militarisation can be seen as a Realist counter reaction to the broadening of security agendas supported by the Copenhagen School, whereby the contested political nature of security threats is meaningfully obscured by attempts to elevate them into an apparently objective characteristic of national security.¹² Broadening security agendas to include issues such as climate change can dilute the traditional focus on national security and subverts orthodoxies about the central place of military force in foreign policy. In practice, strategists focused on geostrategic contest often view security and stability in the South Pacific as a condition required to achieve Australia's security, while Pacific specialists more likely view the South Pacific through the lens of the security of Pacific Islanders themselves. So, in Australia there are two lenses through which analysts and commentators view the South Pacific, one primarily focuses on Australia's interests in the Pacific and the other concentrates on the interests of Pacific Islanders themselves.

9 Adam Lockyer and Michael Cohen, 'Denial Strategy in Australian Strategic Thought', *Australian Journal of International Affairs*, vol. 71, no. 4 (August 2017), pp. 423-39; Michael O'Keefe, 'Teaching Australian Foreign Policy through the Lens of Strategic Culture', *Australian Journal of International Affairs*, vol. 73, no. 6 (2019).

10 'Australia to Have a Monroe Doctrine', *New York Times*, 1 June 1918, p. 9, <www.nytimes.com/1918/06/01/archives/australia-to-have-a-monroe-doctrine-hands-off-all-the-southern.html> [Accessed 2 December 2019]; Merze Tate, 'The Australasian Monroe Doctrine', *Political Science Quarterly*, vol. 76, no. 2 (1961), pp. 264-84.

11 Barry Buzan, *People States and Fear: An Agenda for International Security Studies in the Post-Cold War Era* (Boulder, CO: Lynne Rienner, 1991), p. 26; David Baldwin, 'The Concept of Security', *Review of International Studies*, vol. 23 (1997), pp. 5-26.

12 Barry Buzan, Ole Waever and Jaap de Wilde, *Security: A New Framework for Analysis* (Boulder, CO: Lynne Rienner, 1998).

The dynamic of two *Pacifics* will be illustrated through two case studies, namely the rumoured Chinese military base in Vanuatu and China's so-called 'debt trap' diplomacy. The first case study tests the strategic aspects of debates in relation to militarisation, while the second explores the securitisation of aid as political influence, both of which are framed by the government and media as potentially undermining Australia's strategic interests.

"Islands Still Matter" for the US, China and Australia (Strategically and Geopolitically)

There are legitimate grounds for Canberra to be concerned about China's foreign policy in the South Pacific. China's Sea Denial strategy in the South China Sea would be greatly strengthened by forward positioning of forces as the United States currently does in Guam and Diego Garcia.¹³ From a strategic standpoint this is the key significance of discussions of Chinese bases in the South Pacific, which is outside of China's so-called Second Island Chain. This approach to achieving or maintaining supremacy has a long history in maritime strategy and it resonates throughout the writings of Alfred Mahan and Halfred Makinder.¹⁴ US strategists note that China's militarisation of the South China Sea islets "represents an extremely rare case in history of a nation altering inconvenient facts of geography in its favour",¹⁵ and if this strategy was extended to the South Pacific it would directly threaten Australian and US interests.

An assumption in much of the commentary in Australia is that China's strategy in the South China Sea can be transposed onto the South Pacific.¹⁶ If China acquired military bases in the South Pacific, and the maritime capabilities to sustain them, the Chinese military may be able to break out of the Second Island Chain. This worst-case scenario would represent a significant strategic challenge to the United States and Australia because the security of sea lanes of communication (SLOC) through the Pacific are taken for granted in Australia's strategic outlook.¹⁷ If China was able to sustain a military base in the South Pacific this would create a Third Island Chain which would require Australia to acquire maritime capabilities that could quickly neutralise bases making them redundant in time of war.¹⁸ However, it is not clear that the conditions in the South China Sea and South Pacific are similar enough to warrant transposing China's strategy, and the most

13 Andrew Erickson and Joel Wuthnow, 'Barriers, Springboards and Benchmarks: How China Conceptualises the Pacific "Island Chains"', *The China Quarterly*, vol. 225 (2016), pp. 1-22.

14 Alfred Mahan, *The Influence of Sea Power on History: 1660-1783* (Boston: Little Brown, 1890); Halfred Makinder, 'The Geographical Pivot of History', *Geographical Journal*, vol. 23, no. 4 (1904), pp. 421-37.

15 Andrew S. Erickson and Joel Wuthnow, 'Why Islands Still Matter in Asia: The Enduring Significance of Pacific "Island Chains"', *The National Interest*, 5 February 2016, <nationalinterest.org/feature/why-islands-still-matter-asia-15121> [Accessed 15 August 2018].

16 Ewen Levick, 'Is China Using Its South China Sea Strategy in the South Pacific?', *The Strategist*, Australian Strategic Policy Institute, 18 June 2019, <www.aspistrategist.org.au/is-china-using-its-south-china-sea-strategy-in-the-south-pacific/> [Accessed 25 June 2019].

17 During the Cold War Australia (and NZ) were allotted responsibility for keeping SLOCs open in time of war. Sea Power Centre—Australia, 'The History of The Radford-Collins Agreement', *Semaphore*, no. 15 (November 2007), <www.navy.gov.au/media-room/publications/semaphore-november-2007> [Accessed 30 October 2019].

18 Thomas G. Mahnken, Travis Sharp, Billy Fabian and Peter Kouretsos, *Tightening the Chain: Implementing a Strategy of Maritime Pressure in the Western Pacific* (Washington DC: Centre for Strategic and Budgetary Assessments, 2019).

significant difference is that rather than exaggerating a tenuous historical claim to get a foothold on an isolated islet Beijing has to convince a PIC or PICs to host a base that it can militarise and use to threaten the United States and Australia.

This worst-case scenario planning assumes three conditions, all of which need to be analysed in far greater depth before accepting the inevitability of a Cold War style containment policy in the Pacific. First, it is assumed that China's intent is to set up a military base that would represent an aggressive escalation in the current stand-off with the United States over the South China Sea. Second, it is assumed that a PIC or PICs can be influenced to allow such a military base to be set up (and that this would most likely occur through some form of insidious undue influence). Third, it is assumed that such a base would pose a significant threat, reflecting longstanding strategic anxieties about potentially hostile powers acquiring a foothold in the region from which to threaten Australia. As the renowned strategist and architect of the 1987 Defence White Paper Paul Dibb put it: "The fact is that attacks on Australia of an intensity and duration sufficient to be a serious threat to our national way of life would be possible only by forces with access to bases and facilities in our immediate neighbourhood."¹⁹

There is no doubt that it is prudent to prepare capabilities to counter the development of a potential foreign base in the Pacific, as Hugh White notes, and this might be easier than preventing the development of the base in the first place.²⁰ However, this worst-case scenario should not overshadow the non-militarised options that are and can be used to engage with the non-military security interests of Pacific Islanders. It is not necessarily the intention of strategists to narrow options, but this is often the result of the tendency toward bifurcation in much of the Australian commentary on the South Pacific. The media treatment of the rumoured Chinese Luganville Wharf development in Vanuatu as a military base is a case in point. When is a wharf a base? It is simply a wharf until a whole range of conditions are met, including exclusive access, sovereign rights etc., and it's not clear that the wharf was even a proposal, let alone anything more than an upgraded dual use facility like any other wharf in the Pacific.

The Media and Militarisation

While government declaratory policy has focused on sovereignty and 'debt traps', until mid-2018 it assiduously avoided mentioning China. For instance, in February 2018 Prime Minister Turnbull declined to identify China as a threat and noted that "we don't see the region through what is frankly and out of date Cold War prism".²¹ That changed in June 2018, when the then Foreign Minister Julie Bishop declared that Australia would "compete" with China to fund infrastructure in the Pacific. This change in rhetoric had

19 Paul Dibb, 'If China Builds a Military Base in Vanuatu, What Are the Implications for Australia's Defence Planning?' *The Strategist*, Australian Strategic Policy Institute, 14 April 2018, <www.aspistrategist.org.au/china-builds-military-base-vanuatu-implications-australias-defence-planning/> [Accessed 27 November 2019].

20 Hugh White, 'Australia Must Prepare for a Chinese Base in the Pacific', *The Guardian*, 15 July 2019, <www.theguardian.com/world/commentisfree/2019/jul/15/australia-must-prepare-for-a-chinese-military-base-in-the-pacific> [Accessed 3 December 2019].

21 David Crowe, 'Malcolm Turnbull Says China Does Not Present a "Threat" to Australia', *Sydney Morning Herald*, 22 February 2018, <www.smh.com.au/politics/federal/malcolm-turnbull-says-china-does-not-present-a-threat-to-australia-20180222-p4z177.html> [Accessed 22 February 2018].

been partly driven by the media, which has become increasingly alarmist in its portrayal of the consequences of China's increased presence in the region. For example, when PM Morrison visited the Solomon Islands in June 2019 he pledged that Australia would devote \$259 million to urgent projects. The headline in *The Age* reporting his visit was: 'Scott Morrison Promises \$250m to Stave Off China's Pacific Growth'.²² Similarly, Australia's success in reversing a deal with China to build a submarine cable to the Solomon Islands was explained by the headline: 'How an Australian Spy Stopped China from Growing Internet Influence [sic] South Pacific'.²³ The reportage on Australia's support for Fiji's Black Rock Humanitarian Assistance and Disaster Response base highlighted the urgency of strategic denial in Australia's policy with a headline 'Australia Beats China to Funding Fiji Base' and the article noted that Australia "outbid China to secure the rights as the sole foreign donor".²⁴ Increasingly, media reportage presents Australia's policy 'Step Up' in the region in the context of strategic contest.²⁵

While the government is not responsible for news headlines it does influence them through declaratory policy statements and through back briefing. For instance, Freedom of Information releases in relation to the alleged Chinese base in Vanuatu highlight the DOD's messaging. All the background briefing points relate to defence cooperation and activities and the clear message repeated often was that any base would be "a grave concern" for Australia, reflecting the long strand of Australian strategic thinking about the region. No part of the government's media strategy queried the veracity of the rumour, which is a significant omission that raises questions about whether the government knew more than was reported. Indeed, there was debate over whether to use the word "great" or "grave" to describe Canberra's concern; the PM's initial doorstep used the former and then later statements used the more powerful "grave".²⁶

Of course, the media is not simply driven by government messaging, but also responds to public opinion. Portrayals of a geopolitical contest with China in the Pacific also has a receptive audience due to the enduring nature of these threat paradigms to readers, as reflected in public opinion. According to the 2019 Lowy Poll, 46 per cent of respondents think China will become a military threat to Australia in the next twenty years and this sentiment is rising (up from 41% in 2009).²⁷ Australians also think it highly likely (77%) Australia will be drawn into a war between the United States and China.²⁸ Exaggerated

22 Chris O'Keefe, 'Scott Morrison Promises \$250m to Stave Off China's Pacific Growth', *The Age*, 2 June 2019, <www.smh.com.au/world/oceania/australia-to-fund-250m-worth-of-projects-in-the-solomon-islands-20190602-p51tov.html> [Accessed 3 June 2019].

23 Matt Young, 'How an Australian Spy Stopped China from Growing Internet Influence in South Pacific', news.com.au, 13 June 2018, <www.news.com.au/technology/online/security/how-an-australian-spy-stopped-china-from-growing-internet-influence-south-pacific/news-story/4eb83151f54c66a50917a95096015666> [Accessed 13 June 2018].

24 Primrose Riordan, 'Australia Beats China to Funding Fiji Base', *The Australian*, 7 September 2019, <www.theaustralian.com.au/nation/defence/australia-beats-china-to-funding-fiji-base/news-story/60d05ca8eb2bec629080c2c844255bbd> [Accessed 21 September 2018].

25 Katharine Murphy, 'Scott Morrison to Reveal \$3bn in Pacific Funding to Counter Chinese Influence', *The Guardian*, 8 November 2018, <www.theguardian.com/australia-news/2018/nov/08/scott-morrison-to-reveal-3bn-in-pacific-funding-to-counter-chinese-influence?CMP=Share_iOSApp_%E2%80%A6> [Accessed 12 November 2018].

26 Department of Defence, 'China in the Pacific Briefing Notes and Emails', FOI 385/17/18, Canberra, 10 April 2018.

27 Alex Oliver, *2018 Lowy Institute Poll* (Sydney: Lowy Institute, 20 June 2018), pp. 10, 12.

28 Fergus Hanson, *2009 Lowy Institute Poll* (Sydney: Lowy Institute, 13 October 2009), p. 8; Oliver, *2018 Lowy Institute Poll*, pp. 10, 12.

threats are an enduring theme in Australian foreign policy as is a threat from the ‘north’, so the media is faithfully representing attitudes widely held in the community. As with worst-case scenarios, these fears may find a basis in China’s future behaviour, but the binary nature of much of the reporting (especially in the broadsheets) makes it difficult for opportunities for broader analysis of China’s motives, the agency of PICs and Australia’s foreign policy options to receive public attention.

The current militarisation of the Pacific in the media is not a new trend, with Pacific specialists such as Graeme Smith arguing against the simplification of ‘myths’ in reportage on China in the Pacific.²⁹ But the intensity has increased exponentially, prompting responses from Pacific specialists such as Terence Wood’s ‘How to Avoid Overstating China’s Aid to the Pacific, a Primer to Journalists’.³⁰ There is also pointed criticism from some commentators of the dominance of security intelligence agencies in the development of policy toward China and the influence of an increasingly influential “dystopian world view” of think tanks.³¹ The two parallel *Pacifics* are clearly on display as there are diverse possibilities that would be revealed if Pacific specialists were brought into mainstream media to add nuance to commentary and develop a robust debate,³² but the overwhelming current of thought amongst strategists reported in the media is of increased military threat. Of course strategic analysts necessarily focus on strategy but the dominance of these perspectives in media reporting is crowding out the input of Pacific specialists leading to a non-debate.

Pacific Islanders Matter for Australia’s Strategy of Denial

“Australia does not see our region through a narrow lens of strategic competition.”
Frances Adamson, Secretary, DFAT, Shangri-La Dialogue.³³

Islands still matter strategically, but the non-debate is continuing a longstanding division between those in Canberra who see an ‘Arc of Instability’ in the South Pacific and those who see an ‘Arc of Opportunity’.³⁴ This is not new, and it has played out in

29 Graeme Smith, ‘The Top Four Myths about China in the Pacific’, *The Interpreter*, Lowy Institute, 18 November 2014, <www.lowyinstitute.org/the-interpreter/top-four-myths-about-china-pacific> [Accessed 28 January 2015].

30 Terence Wood, ‘How to Avoid Overstating China’s Aid to the Pacific, a Primer for Journalists’, *Devpolicy Blog*, Development Policy Centre, ANU, 19 June 2019, <www.devpolicy.org/how-to-avoid-overstating-chinas-aid-to-the-pacific-a-primer-for-journalists-20190619/> [Accessed 25 June 2019].

31 Tony Walker, ‘Australia Has a China Problem and We Can’t Leave it to Faceless Spooks’, *The Age*, 16 June 2019, <www.theage.com.au/world/asia/australia-has-a-china-problem-and-we-can-t-leave-it-to-faceless-spooks-20190614-p51xpx.html> [Accessed 16 June 2019].

32 See for instance, Tess Newton-Cain, *Walking the Talk: Is Australia’s Engagement with the Pacific a ‘Step up’ or a Stumble?*, Cairns Institute Policy Paper (Cairns: Cairns Institute, 2018) <<https://www.cairnsinstitute.jcu.edu.au/walking-the-talk/>> [Accessed 20 November 2018]; Pichamon Yeophantong and Luke Fletcher, ‘Why Australia Shouldn’t Overreact to China in the Pacific’, *Australian Outlook*, Australian Institute of International Affairs, 29 April 2019, <www.internationalaffairs.org.au/australianoutlook/australia-shouldnt-overreact-china-pacific/> [Accessed 29 April 2019].

33 Frances Adamson in ‘Strategic interests and Competition in the South Pacific’, 18th Asia Security Summit, IISS Shangri-La Dialogue, Singapore, 1 June 2019, <www.iiss.org/events/shangri-la-dialogue/shangri-la-dialogue-2019> [Accessed 3 July 2019].

34 Joanne Wallis, *Pacific Power? Australia’s Strategy in the Pacific Islands*, (Melbourne: Melbourne University Publishing, 2017); Joanne Wallis, ‘The South Pacific: “Arc of Instability” or “Arc of Opportunity”?’ *Global Change, Peace & Security*, vol. 27, no. 1 (2015), pp. 39-53.

several Australian interventions in the Pacific,³⁵ but the intensity is increasing as the lens through which Chinese activities are viewed alters from interest to alarm. The Morrison government's 'Step Up' itself has significant economic and social aspects, but for every reasonable declaratory policy statement focused on development or 'people to people' links or direct denials of strategic posturing as with Adamson's statement above, there is commentary that is reminiscent of the Cold War. For example, Peter Jennings noted that "Morrison's decision to embrace a 'Pacific step-up' strategy creates the basis for pushing back against China's 'we win, you lose' approach".³⁶ Similarly Andrew Hastie, Chair of the Parliamentary Joint Committee on Intelligence and Security, has warned of the dangers of appeasement in the lead-up to World War Two by comparing China to Nazi Germany.³⁷ Pacific specialist commentators are not well represented in the media but they have noted the increased militarisation of Australian foreign policy toward the South Pacific. For instance, militarisation has been described as putting a "Khaki Tinge" on the whole strategy.³⁸

Australia is threatened by worst-case scenarios of Chinese militarisation in the Pacific, but this does not mean that these threat perceptions are shared with Pacific Islanders. It also does not mean that PICs welcome Australian militarisation to counter China. Of course foreign policy should aim to achieve Australia's national interests, but a distinguishing feature of Australia's 'soft-power' approach has been described as 'vuvale' or family which involves assumptions about reciprocity that can be contrasted with China's more transactional approach. As such, a key element of the 'Step Up' is the defence of Pacific sovereignty, as defined by Australia, but Canberra's view of China's insidious influence may not be recognisable to PICs. As Samoan Prime Minister Tuilaepa Malielegaoi noted about Australia's containment strategy, "their enemies are not our enemies".³⁹

For Pacific Island leaders the referent object of security is the human security of Pacific Islanders and the culture and environment which is the source of their identity and sustainment. If the object of security is the livelihood and wellbeing of Pacific Islanders, then climate change is an "existential" threat.⁴⁰ Despite the shift in declaratory policy toward a sense of family or 'vuvale' relations in the 'Step Up', climate change remains a key barrier to Australia being seen as a member of the Pacific family. Many Pacific leaders have not looked kindly on Australia's stance on climate change or the use of the 'Pacific

35 Michael O'Keefe, 'Australia's Intervention in Its Neighborhood: Sheriff and Humanitarian?', in C. A. J. Coady and Michael O'Keefe (eds), *Righteous Violence, The Ethics and Politics of Humanitarian intervention* (Melbourne: Melbourne University Press, 2005), pp. 75-98.

36 Peter Jennings, 'A New Cold War Will Force Changes in Australian Behaviour', *The Strategist*, Australian Strategic Policy Institute, 18 June 2019, <www.aspistrategist.org.au/a-new-cold-war-will-force-changes-in-australian-behaviour/> [Accessed 25 June 2019].

37 Andrew Hastie, 'We Must See China—the Opportunities and the Threats—Clearly', *Sydney Morning Herald*, 8 August 2019, <www.smh.com.au/politics/federal/we-must-see-china-the-opportunities-and-the-threats-with-clear-eyes-20190807-p52eon.html> [Accessed 16 August 2019].

38 Wesley Morgan, question at Panel 5: 'How Can Australia Ensure That Its 'Step-up' Advances Its Strategic Interests in the Pacific Islands?', *Pacific Geopolitics Workshop*, 6-7 June 2019 (Canberra: Australian National University, 7 June 2019). <dpa.bellschool.anu.edu.au/news-events/podcasts/audio/6959/pacific-geopolitics-workshop-how-can-australia-ensure-its-step> [Accessed 1 August 2019].

39 'Their Enemies Are Not Our Enemies: Pacific Nations Won't Join Stand against China', *The Australian*, 15 August 2019.

40 Frank Bainimarama, 'Prime Minister Hon. Voreqe Bainimarama's Remarks at the PIDF Plenary Session on Governance and Institutional Issues', Fijian Government, Nadi, 30 July 2019, <www.fiji.gov.fj/Media-Centre/Speeches/PRIME-MINISTER-HON-VOREQE-BAINIMARAMA-S-REMARKS-AT> [Accessed 1 July 2019].

Solution’ to solve its unauthorised immigration challenges.⁴¹ For instance, Solomon Islands PM Darcy Lilo rebuffed Australia’s requests to set up an offshore processing centre and noted that “you cannot invent something in Australia and say that is the Pacific solution. That’s wrong” and Fiji’s Foreign Minister Inoke Kubuabola said that the proposal to “dump” asylum seekers in the Pacific was “inconsiderate, prescriptive, high-handed and arrogant”.⁴² A militarised Australian response to China akin to the Cold War could be similarly viewed by PICs as in Australia’s interests, when they are more focused on human security threats posed by climate change.

Climate change provides a chasm in the development of shared security interests and the gulf only widens with regular rumours of Australian attempts at watering down regional declarations, such as occurred recently with the Boe Declaration or 2019 Pacific Islands Forum Communiqué.⁴³ Fiji’s Prime Minister Frank Bainimarama captured the regional sentiment on climate change well, when he noted:

Australia is siding with what I call the coalition of the selfish—those industrialised nations which are putting the welfare of their carbon-polluting industries and their workers before our welfare and survival as Pacific Islanders.⁴⁴

The Pacific has agency when facing Australia and is not as entranced by Chinese aid as Canberra might assume. Pacific leaders are more confident in identifying and pursuing their interests than ever. The ‘Blue Pacific’ is an expression of the collective agency that Pacific Island leaders possess: “inspiring ‘us all’ to value the strategic potential of the region, and to act together from a position of strength”,⁴⁵ and this agency should not be underestimated. In the last decade, there has been a growing confidence and intellectual leadership amongst Pacific leaders, which has been coined the “New Pacific Diplomacy”.⁴⁶ Central to this shift is a much clearer focus on defining security interests through a Pacific lens. Therefore, while caution needs to be exercised in transposing external strategic outlooks onto the Pacific seascape, even greater caution is needed when factoring the agency of South Pacific leaders into analysis. PIC leaders are more confident facing donors/development partners to channel aid to suit their preferences but

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- 41 Joanne Wallis and Steffen Dalsgaard, ‘Money, Manipulation and Misunderstanding on Manus Island’, *The Journal of Pacific History*, vol. 51, no. 3 (2016), pp. 301-29; Joanne Wallis, ‘Is China Changing the “Rules” in the Pacific Islands?’, *The Strategist*, Australian Strategic Policy Institute, 18 April 2018, <www.aspistrategist.org.au/china-changing-rules-pacific-islands/> [Accessed 15 February 2019].
- 42 AAP, ‘Solomons PM Rejects Taking Asylum Seekers’, news.com.au, 6 August 2013, <www.news.com.au/world/breaking-news/solomons-pm-rejects-taking-asylum-seekers/news-story/198e08ccb7ddaca8783421cd4a03c25b> [Accessed 14 January 2020].
- 43 Stephen Dziedzic, Michael Walsh and Jack Kilbride, ‘Australia Signs Declaration on Pacific Climate “Threat”, Islands Call on US to Return to Paris Deal’, *ABC News*, 7 September 2018, <www.abc.net.au/news/2018-09-05/australia-and-pacific-nations-sign-climate-security-declaration/10204422> [Accessed 13 February 2019]; Michael O’Keefe, ‘Pacific Island Nations Will No Longer Stand for Australia’s Inaction on Climate Change’, *The Conversation*, 16 August 2019, <theconversation.com/pacific-island-nations-will-no-longer-stand-for-australias-inaction-on-climate-change-121976> [Accessed 16 August 2019].
- 44 Rowan Callick, ‘Fiji’s Bainimarama Blasts Australia’s “Coalition of the Selfish”’, *The Australian*, 7 May 2015, <www.theaustralian.com.au/nation/world/fijis-bainimarama-blasts-australias-coalition-of-the-selfish/news-story/a49a7be2d33585cea3bb48174a006424> [Accessed 3 August 2019].
- 45 Dame Meg Taylor, ‘A Rising China and the Future of the “Blue Pacific”’, *The Interpreter*, Lowy Institute, 15 February 2019, <www.lowyinterpreter.org/the-interpreter/rising-china-and-future-blue-pacific> [Accessed 1 July 2019]; Pacific Islands Forum, *Forum Communiqué*, Forty-Eighth Pacific Islands Forum, Apia, 5-8 September 2017, <www.forumsec.org/wp-content/uploads/2018/02/Final_48-PIF-Communique_2017_14Sep17.pdf> [Accessed 1 July 2019].
- 46 Greg Fry and Sandra Tarte (eds.), *The New Pacific Diplomacy* (Canberra: ANU Press, 2015).

this does not mean that China is gaining influence. This is evident in domestic criticisms over the efficacy of aid and utility of projects such as the twelve-lane freeway in Port Moresby.⁴⁷ As such, in a competition for influence Australia's ambitions for a 'Step Up' could be thwarted from within the region itself. This points to the fact that Canberra needs to listen to PIC leaders, lest the 'Step Up' stumbles.⁴⁸

Aid, 'Soft Power' and China's Influence in the South Pacific

China did not appear on Australia's Pacific radar until well into the 2000s, as armed stability operations in the Solomon Islands and regional integration dominated the agenda.⁴⁹ In his seminal 2007 work, *Asia in the Pacific: Replacing the West*, Ron Crocombe highlighted a shift in influence to many Asian countries, with Japan the focus at that time.⁵⁰ Twenty years later strategic competition between Australia and China is increasingly open and aid is being used as a key platform for both, but it would be an overstatement to suggest that China in replacing the West (Australia).

As noted earlier, significant differences are evident in the commentary between Pacific specialists who primarily see the Pacific in terms of history, geography and identity, versus the strategists who primarily see the Pacific as a venue for geostrategic contest. There has been a significant increase in Chinese aid to the Pacific since 2006, but there are differences of opinion over the relevance of this aid in relation to both influence (that speaks to those who view the Pacific as a venue for geopolitics) and efficacy (which is more relevant to those who focus on the welfare of Pacific Islanders). Furthermore, there are also credible reasons to treat China's recent commitments with scepticism because grand announcements have not always been followed through in the past.⁵¹ The nuance is lost in much of the Australian media and strategic commentary, where the securitised view that aid equates to influence dominates.⁵² As such, Australia's relative position is perceived to have been weakened by China and so the increase in aid to the Pacific, including infrastructure aid, in the 'Step Up' is often treated as a welcome counter to rising Chinese influence.⁵³

An underlying assumption connected to assertions about Chinese aid is that it represents a form of 'soft power' that can be converted into influence.⁵⁴ However, this assumption should be questioned because soft power cannot be bought and requires an endearing sense of attraction to shared norms of behaviour.⁵⁵ Australia exercises considerable 'soft

47 Yeophantong and Fletcher, 'Why Australia Shouldn't Overreact to China in the Pacific'.

48 Newton-Cain, *Is Australia's Engagement with the Pacific a 'Step up' or a Stumble?*

49 Derek McDougal, 'Insecurity in Oceania: An Australian Perspective', *The Round Table*, vol. 96, no. 391 (August 2007), pp. 415-27.

50 Ron Crocombe, *Asia in the Pacific: Replacing the West* (Suva: University of the South Pacific, 2007).

51 Wood, 'How to Avoid Overstating China's Aid to the Pacific'.

52 Stephen Dziedzic, 'Chinese Influence Drives Australia's Multi-Billion-Dollar Pivot to the Pacific', *ABC News*, 9 November 2018, <www.abc.net.au/news/2018-11-09/australia-pacific-funding-pivot-after-china-enters-region/10479286> [Accessed 3 December 2019].

53 'Morrison's Mission to Rebuff China', *The Australian*, 27 May 2019.

54 Zhiqun Zhu, *China's New Diplomacy: Rationale, Strategies and Significance* (Burlington: Ashgate Publishing, 2010), pp. 139-64.

55 Joseph S. Nye, *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004); Bates Gill and Yanzhong Huang, 'Sources and Limits of Chinese "Soft Power"', *Survival*, vol. 48, no. 2 (2006), pp. 17-36.

power' in the South Pacific based on proximity, enduring historical links and a sense of affinity that is not openly apparent in transactional relations between China and PICs. In contrast, influence can be bought, but it is far more fleeting and unpredictable. This is clearly evident in the chequebook diplomacy over recognition of Taiwan which saw Kiribati and Solomon Islands shift allegiance to China in September 2019. How analysts envisage 'debt traps' will play out is illustrative. China's:

debt diplomacy is another lever with dual purposes. It wins China temporary kudos in Pacific states, while simultaneously countering Canberra's aspirations of improving Pacific development by saddling tiny island nations with unaffordable loans. When the debts become crippling, they will afford Beijing another opportunity to niggle Canberra by offering debt relief in return for something that will frustrate Australian plans, or inflict a burden of debt relief on Australia.⁵⁶

The majority of Chinese aid is not gifted and is in fact concessional lending. The critique is that these concessional loans are often unsustainable because they would fail tests of probity and profitability and that, when repayment is due, PICs will face extreme debt pressure. This debt distress has already played out in Tonga, but the question of how loans are converted into influence remains. The salient point that is largely ignored by analysts is that Chinese loans with deferred payment plans meet the political needs of Pacific leaders. The focus of commentary is almost exclusively on China's political motive, but analysis should not ignore the agency of Pacific Island leaders in requesting loans or accepting unsolicited loans (and also that they are implicated in any decisions that are unsustainable). The assumption amongst strategists is that outside pressures almost exclusively influence geopolitics in the Pacific and the growing confidence of Pacific leaders to engage as active participants in achieving their national interests is almost always obscured or devalued.⁵⁷

China is focused on the Belt and Road Initiative elsewhere, such as Africa, and the commercial basis of activities there may be more relevant to the Pacific than a singular focus on geopolitical competition.⁵⁸ In contrast to the focus on political motives, there is a strong argument to be made that Chinese loans have been made based on a range of considerations including their commercial basis rather than as simply a political tool. Therefore the loans need to be repaid.⁵⁹ Defaulting on loans is not a favourable option in the global financial system, so the debt-laden PICs of this 'debt trap' worst-case scenario would be forced to find some other means of repaying them, or of securing an extension/remission of debt. However, China's role in this scenario is more complex than often portrayed. In general PICs do have rising debt burdens, and while China is implicated, it is only a major debtor in a few PICs, such as Tonga.⁶⁰ Before the 2018 Pacific Islands Forum,

56 Fergus Hanson, 'Are We Being Played in the Pacific?', *The Strategist*, Australian Strategic Policy Institute, 10 September 2018, <www.aspistrategist.org.au/are-we-being-played-in-the-pacific/> [Accessed 1 July 2019].

57 Michael O'Keefe, 'The Strategic Context of the New Pacific Diplomacy', in Greg Fry and Sandra Tarte (eds), *The New Pacific Diplomacy* (Canberra: ANU Press, 2015).

58 For Africa see Deborah Brautigam, 'Crony Capitalism: Misdiagnosing the Chinese Infrastructure Push', *The American Interest*, 4 April 2019, <www.the-american-interest.com/2019/04/04/misdiagnosing-the-chinese-infrastructure-push/> [Accessed 18 July 2019].

59 Denghua Zhang, 'Chinese Concessional Loans Part 2—Pacific Indebtedness', *DPA In Brief*, 2018/29, (Canberra: Department of Pacific Affairs, Australian National University, 2019).

60 Rohan Fox and Matt Dornan, 'China in the Pacific: Is China Engaged in "Debt Trap Diplomacy"?', *Devpolicy Blog*, Development Policy Centre, ANU, 8 November 2018, <www.devpolicy.org/is-china-engaged-in-debt-trap-diplomacy-20181108/> [Accessed 11 November 2018].

Tonga did call for PICs to unite to leverage China for repayment extensions, but there was a cold response. This approach reflects the very different levels of indebtedness to China in the region, as Tonga's debt distress was not generalisable. Ultimately Tonga received a second five-year extension, deferring the question of unsustainability and opening up the criticism that China now has the opportunity to leverage Tonga for influence. However, beyond the battle for diplomatic recognition with Taiwan, finding concrete evidence of a susceptibility to nefarious influence is challenging.

A robust methodology for measuring 'influence' has not been developed to analyse the 'debt trap'. The inability to disaggregate activities that might simply relate to influence peddling in relation to China's core interest of limiting the recognition of Taiwan,⁶¹ and the presumably more insidious attempt to influence PICs to outmanoeuvre Australia and its allies in the Pacific is a gap in strategic commentary that is being tentatively addressed by Pacific specialists. As it stands, there is little evidence that China has been able to create an environment where Pacific leaders or peoples are reflexively inclined to view China positively as would be required to achieve Nye's conception of 'soft power'.⁶² A recent Australian Strategic Policy Institute (ASPI) report on *Chinese Influence in the Pacific Islands* found that China is not achieving great return on its Pacific investments in this regard.⁶³ There has been a long history of chequebook diplomacy over recognition of Taiwan that had achieved some success, but this has not been replicated in other policy areas, where a high level of instrumentalism persists amongst pragmatic Pacific leaders, which accords with the literature on the role of local elites.⁶⁴ Furthermore, there is some evidence that overt attempts to influence Pacific leaders can actually be counterproductive with respect to the attitudes of Pacific citizenry toward them and China.⁶⁵

An additional important criticism of the 'debt trap' argument is the agency and rationality it assumes exists in the delivery of Chinese loans and aid. This is how it can be characterised as a nefarious attempt to leverage influence. However, Pacific specialists have noted that China's aid bureaucracy is far less coordinated than most commentary assumes and that it can actually be internally competitive,⁶⁶ especially when projects supported by provincial governments are factored in, as in the case of Guangdong. Despite the large sums of loans committed⁶⁷ it is not clear that there is anything like a coherent strategy to bankrupt PICs. It would be imprudent to completely discount the possibility, but equally it should not be treated as the certainty portrayed in most of the 'debt trap' literature. If not, then this devalues claims of insidious behaviour and may point to the immaturity and inexperience in China's foreign aid activities. It may be in fact that the unsustainable debt burden ascribed to Chinese loans is actually a result of the lack of coordination between

61 Denghua Zhang, 'China's Diplomacy in the Pacific: Interests, Means and Implications', *Security Challenges*, vol. 13, no. 2 (2017), pp. 32-53.

62 Michael O'Keefe, 'Why China's "Debt-Book Diplomacy" in the Pacific Shouldn't Ring Alarm Bells Just Yet', *The Conversation*, 17 May 2018, <theconversation.com/why-chinas-debt-book-diplomacy-in-the-pacific-shouldnt-ring-alarm-bells-just-yet-96709> [Accessed 17 May 2018].

63 Richard Herr, *Chinese Influence in the Pacific Islands*, ASPI Special Report (Canberra: Australian Strategic Policy Institute, April 2019).

64 Geoffrey Bertram, "'Sustainable Development" in Pacific Micro-economies', *World Development*, vol. 14, no. 7 (1986), pp. 809-22.

65 Herr, *Chinese Influence in the Pacific Islands*.

66 Merriden Varrall, 'Understanding China's Approach to Aid', *The Interpreter*, Lowy Institute, 12 January 2018, <www.lowyinstitute.org/the-interpreter/understanding-chinas-approach-aid> [Accessed 12 January 2018].

67 Fox and Dornan, 'Is China Engaged in "Debt Trap Diplomacy"?'.

Chinese lenders themselves and between Chinese and other lenders, because as noted debt distress undermines the underlying commercial basis for loans and is unlikely to deliver ‘soft power’ returns. As Merriden Varrall notes, a word of caution is needed as “China’s development record in the Pacific is mixed. But this should not be confused with China being nefarious.”⁶⁸ So much so that often ‘China’ should probably be put in inverted commas because it may not function with anywhere near the unified voice that is assumed in the militarising commentary.

The focus on the insidious potential of the ‘debt trap’ has narrowed analysis and it may actually be that China is learning from previous mistakes and criticisms from states such as Australia. China has deferred loan repayments in recent years, including \$50 billion in 2018, and in the case of states such as Tonga, it has deferred payment twice. Research from the investment sector notes that “actual asset seizures are a very rare occurrence”.⁶⁹ This does not seem like the act of a monolithic state seeking leverage through accelerating the indebtedness of vulnerable states. If it is possible that China is more driven by economic than strategic interests then “it would be premature—if not misguided—to treat current Chinese behaviour in the region as a ‘premeditated’ provocation towards Australia”.⁷⁰ Canberra’s interest in strategic denial is being robustly messaged and if China acted in a manner that directly targeted these interests, such as to create a military base, then this would be a provocation, but Chinese aid does not meet the threshold to be considered a provocation.

The question of unsustainability of loans highlights the narrow way that ‘aid as influence’ can be viewed if commentary is focused on the Pacific as an arena of geopolitical contest. The efficacy of Chinese aid, rather than the geopolitical influence it might gain should be the focus of critique, and there are plentiful examples of this in the development literature. Prior to the militarisation of China’s activities in the South Pacific, Matthew Dornan, Denghua Zhang and Philippa Brant provided the following analysis:

EXIM Bank loans to the Pacific have been used to fund both productive as well as less productive infrastructure, ranging from investment in roads, government communication systems, and ports, to government buildings. There has typically been limited economic analysis of such projects. Funding of ongoing costs related to operation and maintenance of infrastructure has also not been considered. This has resulted in the rapid deterioration of infrastructure.⁷¹

This analysis coincided with rising criticism from PICs in relation to the unsustainability of some Chinese infrastructure projects (e.g. importing Chinese labour and materials) with little emphasis on local capacity building. Since then, more attention has been given to analysing the effectiveness of these projects and the results are mixed.⁷² It may be

68 Varrall, ‘Understanding China’s Approach to Aid’.

69 Agatha Kratz, Allen Feng and Logan Wright, *New Data on the “Debt Trap” Question* (New York: Rhodium Group, 29 April 2019).

70 Yeophantong and Fletcher, ‘Why Australia Shouldn’t Overreact to China in the Pacific’.

71 Matthew Dornan, Denghua Zhang and Philippa Brant, ‘China Announces More Aid, and Loans, to Pacific Island Countries’, *Devpolicy Blog*, Development Policy Centre, ANU, 13 November 2013, <www.devpolicy.org/china-announces-more-aid-and-loans-to-pacific-islands-countries-20131113-2/> [Accessed 1 July 2019].

72 Jonathan Pryke, ‘The Bad—and Good—of China’s Aid in the Pacific’, *The Interpreter*, Lowy Institute, 11 January 2018, <www.lowyinstitute.org/the-interpreter/bad-and-good-china-aid-pacific> [Accessed 21 August 2019].

that this development studies' analysis, and PIC responses to many Chinese projects, actually highlight the limits of the Chinese ability to convert loans/aid into influence. Further evidence of this may also be found from the Chinese themselves, who may be improving the quality of projects, but with commercial rather than strategic interests in mind. If pressure from PICs themselves is shaping China's aid program, then again we should not underestimate the agency of PIC leaders.

The then Foreign Minister highlighted Australia's role in defending the Pacific from the threat to sovereignty posed by foreign 'debt traps'.⁷³ Julie Bishop noted that "we want to ensure that they retain their sovereignty ... and are not trapped into unsustainable debt outcomes. The trap can then be a debt-for-equity swap and they have lost their sovereignty."⁷⁴ The Australian government and media are constructing this threat perception through a process of securitisation; China's 'irresponsible' lending becomes a threat that PICs cannot defend themselves from and this means that they need Australian intervention on their behalf. The threat to PIC sovereignty then becomes a military threat to Australia due to the claim that China could leverage bases from debt distressed PICs. This securitisation speaks to the threat perceptions in Australia, but it may not be as welcome to PICs concerned about climate change, and may not be as effective in countering Chinese influence as other instruments of 'soft power' that form part of the 'Step Up', but are under-emphasised in the media-reporting.

The Chinese 'Non-base' in Vanuatu

Beyond influence, the widely posited assumption behind the 'debt trap' critique is that China can coerce a recipient state to pay a 'tribute' to Beijing by ceding local assets when it cannot pay back its debts. The Hambantota port in Sri Lanka is often quoted as an example of how this could come to pass.⁷⁵ However, it remains a commercial port rather than a military base, just as the Port of Darwin has not been militarised since a Chinese company took over the long-term lease in 2015. China does have one overseas military base in Djibouti that it set up in 2017 after negotiating with the heavily indebted government but it is also situated across the city from a much larger US base. The Hambantota port seems a compelling case, but it is a single example and it is not clear both whether it reflects a Chinese strategy and also whether it is applicable to the Pacific. However, much of the strategic commentary in Australia noted the Hambantota example as a possibility for Vanuatu:

A Beijing-funded wharf in Vanuatu that is struggling to make money is big enough to allow powerful warships to dock alongside it, heightening fears the port could be converted into a Chinese naval installation.⁷⁶

73 David Wroe, 'Australia Will Compete with China to Save Pacific Sovereignty, Says Bishop', *The Age*, 18 June 2018, <www.smh.com.au/politics/federal/australia-will-compete-with-china-to-save-pacific-sovereignty-says-bishop-20180617-p4zm1h.html> [Accessed 19 June 2018].

74 Ibid.

75 Malcolm Davis, 'Going Forward to Manus', *The Strategist*, Australian Strategic Policy Institute, 21 September 2018, <www.aspistrategist.org.au/going-forward-to-manus/> [Accessed 21 September 2018]; Brahma Chellaney, 'China's Creditor Imperialism', *The Strategist*, Australian Strategic Policy Institute, 21 December 2017, <www.aspistrategist.org.au/chinas-creditor-imperialism/> [Accessed 21 September 2018].

76 David Wroe, 'The Great Wharf from China: Raising Eyebrows Across the Pacific', *Sydney Morning Herald*, 11 April 2018, <www.smh.com.au/politics/federal/the-great-wharf-from-china-raising-eyebrows-across-the-pacific-20180411-p4z8yu.html> [Accessed 11 April 2018].

In April 2108 Fairfax broke a story from a leaked source claiming that China was in negotiations with Vanuatu to set up a naval base. The story described the base as a “globally significant move that could see the rising superpower sail warships on Australia’s doorstep”.⁷⁷ The story was syndicated and quoted widely leading to alarmist analyses.⁷⁸ Official denials by Vanuatu (and China) were ignored when the then Prime Minister Malcolm Turnbull released an uncharacteristic warning to Vanuatu (and China); “We would view with great concern the establishment of any foreign military bases in those Pacific Island countries and neighbours of ours.”⁷⁹ This sounded much like the megaphone diplomacy that has led to claims of Australian heavy handedness in the past. At the time of writing no base has materialised. It could be that no base was proposed or that Australia’s protestations dissuaded Vanuatu (and China) from proceeding, but the general public is not likely to ever know the truth. However, the impression in the media was that the crisis was averted.

To date the worst-case scenario has dominated commentary. As one analyst put it:

Chinese-owned ports and airports could eventually facilitate a forward presence for the PLA Navy and Air Force in the maritime air approaches to Australia’s eastern seaboard. That would fundamentally change our strategic circumstances for the worse as key population centres would come under direct threat in wartime.⁸⁰

The rumours of a Vanuatu base were followed by rumours about Chinese commercial development of a port in Samoa, with *The Australian* newspaper noting that: “China’s involvement has raised red flags with military analysts. Who warned that the port could lead to a ‘salient right through the heart’ of America’s defences in the South Pacific or threaten Australia’s east-coast trade routes to the US.”⁸¹ Significantly this example of China allegedly attempting to set up ‘bases’ in the Pacific were not associated with ‘debt trap’ leverage, but rather commercial ventures of infrastructure that could be considered dual use. That is, port facilities could berth naval vessels just as they would commercial shipping. This commercial motive resonates with other examples of strategic denial such as the submarine internet cable to the Solomon Islands. There are also grounds for debate over the strategic value of any hypothetical Chinese base in the South Pacific but militarised analysis reported in the press is focused on their threat to Australia. However, strategists also recognise that they would be extremely vulnerable due to their isolation, which negates their utility in time of war,⁸² but this more nuanced position is absent from reportage on the issue.

77 David Wroe, ‘China Eyes Vanuatu Military Base in Plan with Global Ramifications’, *The Age*, 9 April 2018, <www.theage.com.au/politics/federal/china-eyes-vanuatu-military-base-in-plan-with-global-ramifications-20180409-p4z8j9.html> [Accessed 9 April 2018].

78 AAP, ‘Australia and New Zealand Warn China against Vanuatu Base’, *Daily News*, 10 April 2018, <www.nydailynews.com/news/world/australia-new-zealand-warn-china-vanuatu-base-article-1.3925300> [Accessed 10 April 2018].

79 ‘Chinese Military Base in Pacific Would Be of “Great Concern”, Turnbull Tells Vanuatu’, *ABC News*, 10 April 2018, <www.abc.net.au/news/2018-04-10/china-military-base-in-vanuatu-report-of-concern-turnbull-says/9635742> [Accessed 10 April 2018].

80 Malcolm Davis, ‘Going Forward to Manus’, *The Strategist*, Australian Strategic Policy Institute, 21 September 2018, <www.aspistrategist.org.au/going-forward-to-manus/> [Accessed 21 September 2018].

81 Rory Callinan, ‘China’s Plan to Develop Samoan Port a Regional Security Concern’, *The Australian*, 27 November 2018, <www.theaustralian.com.au/nation/foreign-affairs/chinas-plan-to-develop-samoan-port-a-regional-security-concern/news-story/ede01bfe7ac23d97e2872a3ff6a07368> [Accessed 14 January 2019].

82 Sean Andrews and Brendan Sargeant, Q&A at ‘Panel 1—How do the Pacific Islands fit into Australia’s region of strategic interest, the “Indo-Pacific”’, Pacific Geopolitics Workshop, Australian National University, Canberra, 6-7 June 2019, <bellschool.anu.edu.au/news-events/podcasts/audio/6953/pacific-geopolitics-workshop-how-do-pacific-islands-fit-australias> [Accessed 1 August 2019].

The cost of openly provoking Australia's tendency toward strategic denial in its sphere of influence would also have to weigh heavily on Chinese defence planners but whether restraint is being exercised by China is beyond the scope of present militarised commentary. Furthermore, Pacific agency is largely absent from present analysis. The assumption that PIC leaders will be either willing to accept a Chinese military base (that so clearly undermines Australian and US interests and thereby destabilises the region) or unable to resist Chinese pressure should be questioned. The recent history of chequebook diplomacy demonstrates that some PIC leaders may not be inclined to reject Chinese entreaties and, if so, this poses a great challenge for Canberra that is best addressed through 'soft power'.

Conclusion

In May 1980 China tested its growing intercontinental ballistic missile (ICBM) arsenal in the Pacific. The ICBM splashed down 1,200 kilometres north-west of Fiji and ignited much commentary about the arrival of geopolitics in the Pacific. However, the Pacific has been a venue for European geopolitical contest for over a century,⁸³ and alarm was expressed then just as it is today.⁸⁴ The present policy problem is that Canberra claims to defend the Pacific from China, when it is increasingly clear to PIC leaders that it is defending its interests in the Pacific rather than the interests of PICs, such as climate change, and this realisation has introduced a new tension in Australian foreign policy.

Australia remains unchallenged as the 'security partner of choice' in the South Pacific and also remains the dominant donor. Despite these advantages the alarmist tone of commentary is framing China's activities in the Pacific as a military threat to Australia and this diminishes the impact of Australian 'soft power' gained through its longstanding aid program and military diplomacy. Canberra treats the South Pacific as Australia's sphere of influence and the present militarised commentary has not tested whether China may in fact be treading warily. That does not mean that China does not have interests in the South Pacific, but rather that they might not needlessly conflict with Australia's interests (e.g. in relation to Taiwan). While China could easily overtake Australia, it has not done so and it should be acknowledged that it may not be an accident that China has not challenged Australia more openly or directly, especially in the military arena. China may have showed restraint in response to Canberra's increasingly strident statements and actions amounting to strategic denial. This raises the question of whether co-existence might be possible and engineering this outcome may be preferable to worst-case scenarios.

83 Paul Kennedy, *The Samoan Tangle: A Study in Anglo-German-American Relations 1878-1900* (Dublin: Irish University Press, 1974).

84 Michael Godley, 'China: The Waking Giant', in Ron Crocombe and Ahmed Ali (eds), *Foreign Forces in Pacific Politics* (Suva: University of the South Pacific Press, 1983), p. 140.

More work needs to be done to establish precisely how aid equates to influence, especially of the sort that would force PICs to host a Chinese military base that would upset the regional strategic balance. Contrary to much speculation the jury is out over whether China has systematically tried to use debt to gain influence and, if so, whether it has been successful at convincing or forcing Pacific Islands to routinely align with China (other than in the case of recognition of Taiwan). This highlights that the level of Pacific agency in geopolitics should not be underestimated and the non-military aspects of 'soft power' should not be devalued. Furthermore, there is even less evidence of either the place of aid/concessional loans in achieving influence or any explicit Chinese attempt to challenge Australia's influence in the Pacific versus the longstanding interests in maintaining the status quo regarding the recognition of Taiwan.

While the jury is still out, the militarisation and securitisation of China may still become a self-fulfilling prophecy. It would be imprudent for strategists to ignore worst-case scenarios, but the question is to what degree they should direct Australia's foreign policy now. An important caveat is the very real possibility that China may not be interested in engaging as a responsible international citizen and that it will pose a threat to Australia in the future, but the point is to acknowledge that at this time this is far from certain and it would be a strategic miscalculation to hasten this possible future. The militarisation of China in the Pacific is not yet justified enough by events to close off other perspectives, and it is limiting debate and narrowing the scope of analysis and the presentation of diplomatic possibilities. Furthermore, the view from Beijing is missing in all of this. China may actually have misjudged the impact of various events and may be learning from the criticisms and changing its behaviour. If this is possible then the change is not being adequately documented due to the overwhelming focus on the military threat from China.

It is not unusual for the Australian media to support government foreign policy initiatives,⁸⁵ but the degree of support for the 'Step Up' and active role in militarising China is noteworthy. While much of the commentary could be framed as a debate, there appears to be little direct debate between those who see the Pacific primarily as a battleground for external geostrategic competition and those who see the Pacific as a seascape inhabited by peoples facing unique human security threats. A basis for debate over China's influence in the Pacific exists, but increasingly the strategists are dominating commentary. Alternate views of those Pacific specialists focussed on the security of Pacific islanders and aid effectiveness are being drowned out by the sheer volume of commentary catastrophising China's activities in the Pacific and they need to be brought into a debate.

Rushing to frame China as a military threat is reminiscent of the binary thinking of the early stages of the Cold War. If we are at another liminal moment then analysts should be circumspect. China may well become the strategic threat of worst-case scenarios and it would be imprudent to ignore this possibility, but that future is not predetermined,

85 Peter Mulherin and Benjamin Isakhan, 'State-Media Consensus on Going to War? Australian Newspapers, Political Elites, and Fighting the Islamic State', *The International Journal of Press/Politics*, vol. 24, no. 4 (2019), pp. 531-50.

and we should engage in robust debate before denying other alternatives. This suggests that debate about the inevitability of conflict and possibility of co-existence that is occurring in the United States needs to be encouraged in Australia.⁸⁶

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86 For example, see Kurt Campbell and Jake Sullivan, 'Competition without Catastrophe: How America Can Both Challenge and Coexist with China', *Foreign Affairs*, September/October 2019.

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