



## **China Woos the South Pacific** by Tamara Renee Shie

China's rising influence is beginning to extend into remote corners of Asia, including the islands of the South Pacific. In December 2005, Chinese Politburo member Luo Gan and his delegation made a two-day stopover in Tahiti while en route to South America. The visit came a day after the official announcement that China would open a consulate general and cultural center in Tahiti's capital Papeete in 2006 as well as the Chinese government's conferment of Approved Destination Status (ADS) for Chinese tourists to visit French Polynesia. These moves are symbolic of China's efforts to increase its presence in the South Pacific.

Once considered the strategic domain of the United States, the South Pacific is falling under the Chinese spell. As the U.S. and its allies have gradually scaled back their involvement in the region since the early 1990s – closing embassies and reducing aid – China has steadily been moving in. China now has nine diplomatic posts in the South Pacific (including a care-taking group in Kiribati) and more diplomats posted in the region than any other country.

### **China vs. Taiwan**

The South Pacific is a central battleground in Chinese attempts to diplomatically isolate Taiwan. Eight of the 14 members of the Pacific Islands Forum (excluding Australia and New Zealand) recognize China, while six recognize Taiwan.

Many of these countries have flip-flopped allegiances, but the rising strength of the Chinese economy has increased Beijing's confidence in its ability to win over states. Countries that recognize China have been showered with major infrastructure and assistance projects, including a \$5.5 million sports complex in Kiribati, another \$4 million sport facility in Fiji, and the donation of two cargo ships worth \$9.4 million to Vanuatu.

China's donation to set up the Pacific Islands Trade Office in Beijing in 2000 came only after the Forum agreed to switch the chairmanship from Palau (which recognizes Taiwan) to Kiribati (which at the time recognized China). In October 2005 Beijing lobbied against Taiwan's inclusion in the South Pacific Tourism Organization (SPTO), saying this would "sabotage" China's own relations with the region. After China pledged an additional \$500,000 in organizational support, the members vetoed Taiwan's admission the following week.

### **Beyond Taiwan...**

China's activities in the South Pacific mirror those in other regions like the Middle East, Africa, and Latin America: increased high-level visits, no-strings-attached aid packages, and investments in industries and critical infrastructure.

Taiwan remains a high priority for China, but it no longer explains all Chinese activities in the South Pacific.

Commercial deals lean heavily on the win-win side, developing natural resources needed in China, particularly minerals, timber, and fish, while providing much needed investment for the aid-reliant South Pacific. Such agreements include a \$625 million nickel and cobalt mine in Papua New Guinea (PNG) and millions to reinvigorate a Cook Islands fishing and processing plant. In June 2004, Tonga's sole electric power company received \$17 million in "technical assistance" from the Bank of China.

This checkbook diplomacy is coordinated with heavy diplomatic courting. Many South Pacific leaders now make their first overseas trip in Beijing. Between March 2004 and July 2005 eight heads of state of South Pacific countries paid official visits to China at the invitation (and most likely financial support) of the Chinese government. An 80-person entourage accompanied PNG Prime Minister Somare on his February 2004 visit.

In international organizations where "one country-one vote" is the rule, regional blocs can be important. China is a major donor to the Pacific Islands Forum and the highest paying subscriber to the South Pacific Tourism Organization. China has had a hand in promoting or delaying votes on UN membership for Kiribati, Nauru, Tonga, and Tuvalu.

Over the long term the South Pacific may also prove an important strategic asset to China. In 1997 China established a satellite-tracking station on South Tarawa Atoll in Kiribati. Ostensibly built to assist with China's space program, there was press speculation that the station may have also been used to spy on the U.S. missile range in the nearby Marshall Islands. The station was dismantled after Kiribati's diplomatic defection to Taiwan in November 2003, but Beijing is reportedly looking for another place in the region to set up shop.

### **China vs. U.S.?**

Although Australia, New Zealand, Japan, the EU, and the U.S. remain major partners for the region, China's contributions have leapfrogged in the past five years. In addition to becoming an increasingly important aid and trading partner, China is engaging the region in other ways. These include broadcasting Chinese television programming, expanding student exchanges, and paving the way for an increase of Chinese tourists with the granting of ADS to Cooks Islands, Fiji, Tonga, and Vanuatu in 2004. South Pacific nations are responding positively to these Chinese initiatives.

China's increased efforts are only part of the story. China's growing activities have occurred in the context of an increasingly distracted and disengaged United States. In the

1990s the U.S. closed U.S. Information Agency offices, its USAID Regional Development Office, and ended the Fulbright study exchange program in the region. The number of U.S. Peace Corps missions in the South Pacific has been halved since 1995. Additionally, the U.K. recently closed three diplomatic posts in the region and withdrew from the Pacific Community, the regional development body.

Relatively small investments in scholarships, such as those offered by the East West Center Pacific Islands Development Program, and other public diplomacy initiatives provide an opportunity for an exchange of ideas between the U.S. and the South Pacific and convey the message that the U.S. cares about goals beyond the global war on terrorism, such as supporting democracy, human security, development, and trade. The U.S. needs to work with its allies in the region, not to contain China, but to strengthen governments and economies in the South Pacific.

Influence is not necessarily a zero-sum game, but the U.S. is sending all the wrong signals. South Pacific nations want a range of options, not an exchange of one dominant partner for another. However the current message is that China is paying attention to the region and the U.S. is not. If Washington continues to look the other way, Beijing will not only woo the South Pacific, but possibly win it.

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