

State of Affairs in the Pacific Island Region: Reading China's Agenda and the Sentiments of Pacific Islanders



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Introduction

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Introduction

The year 2022 witnessed not only a growing interest in the Ukraine-Russia issue but also greater international attention to small Pacific Island Countries (PICs) than ever before. This international attention was the direct result of a media leak in April 2022, when the Solomon Islands and China secretly signed a security cooperation agreement. In response, the United States (US) and Australia showed a sense of caution, branding it as representing a serious crisis posed by China's increasing presence in the Pacific. This prompted what is called the West and the mass media to increase their interest in PICs. This heightened interest must be a corollary of the recent international situation in which security issues are discussed from a wider range of angles. Aligned with this move, there is a growing discussion in Japan on how the country should strengthen its relations with PICs and engage with them through multilateral cooperative assistance involving the US and Australia, among other donors.

This heightened interest in the Pacific Island region is a godsend for someone like me who has been following

the Pacific Island region for many years. However, it seems quite dangerous for the US, Australia, Japan, and other powers to increase their engagement with PICs to advance their own agendas without meeting the essential requirement of adequately understanding them. These powers seem to overlook the fact that, while only China's behavior is viewed as a problem, the diplomatic stance of Australia, New Zealand, the US, and other powers toward PICs played a greater role in driving Solomon Islands and the Republic of Kiribati closer to China. The neighboring major powers do not realize that they are the cause of this problem. If Japan is too quick to align itself with them and thus increase its engagement with PICs, it runs the risk of undermining friendly relations with PICs that it has steadily built over the years. To avoid this risk, it is necessary to adequately understand the real state of affairs in PICs and their sentiments.

This paper reviews the impacts China has had on the Pacific Island region for more than 20 years, as well as relations between PICs and what is called Western powers. It focuses on what security really means to PICs and where the principle of their diplomatic behavior lies for a better understanding of the recent circumstances surrounding PICs.

1. The Security Agreement between Solomon Islands and China

What has prompted the mass media to kindle a sense of "crisis for the Pacific posed by China's increasing presence in the region" was the security agreement Solomon Islands had reportedly signed with China. What is this agreement? In April 2022, the Solomon Islands Government has announced that it signed a Security Cooperation Agreement with China, but the details have not yet been published. However, a rundown of the agreement became known after a draft agreement was leaked to the Australian media at the end of March.

According to the leaked draft, (1) the Solomon Islands Government will ask China to deploy police, armed police, military personnel, other executing agencies, and the military in the country if it decides that it is necessary to maintain social order; (2) to protect the safety of Chinese personnel in Solomon Islands and projects China implements there, China may make military ship visits, stopovers, and transitions and carry out logistical replenishment; and (3) each party may not disclose information on security cooperation to third parties without written consent. This is the gist of the draft.¹

The draft, if taken at its face value, may deepen fears that the agreement marks the beginning of the "Sinicization" of Solomon Islands. Out of this sentiment comes a number of observations by the Australian government and researchers who hint at the possibility of various types of crises. Their observations can be summarized into three points:

- (1) Allowing China to deploy its military if the country deems it necessary to do so to protect the safety of Chinese personnel and projects runs the risk of paving the way for permanent stationing of the Chinese military.
- (2) All vague expressions in the draft agreement were devised by wily diplomats at the Chinese foreign ministry, raising the likelihood that China will implement the agreement in the way it wants.
- (3) The provision that prohibits the disclosure of information on security cooperation to third parties makes it

¹ "China-Solomon Islands security agreement leaked on social media," March 25, 2022, RNZ Pacific (<https://www.rnz.co.nz/international/pacific-news/463957/china-solomon-islands-security-agreement-leaked-on-social-media>)

impossible for the Solomon Islands Government to discuss it with the Parliament and other organizations, thereby undermining the fundamental institutions of the state.

Solomon Islands Prime Minister Manasseh Sogavare categorically denied these possibilities and proudly stated that his country is taking a reasonable path as a sovereign nation.² Still, the presumed content of the agreement seems to be unequal and substantially lopsided in favor of China. Indeed, if Solomon Islands manages bilateral relations with China solely based on this agreement, it might move in the direction of “Sinicization.” However, the agreement is not the only political factor that defines the state’s future. It is necessary to remember that other factors that prevent China from advancing its agenda are also involved.

One such factor is the security treaty that Solomon Islands concluded with Australia in 2017. This security arrangement with Australia is a formal bilateral treaty³ ratified by both countries, whereas that with China is a secret government-to-government pact for a limited period of five years, which has not been ratified by the Parliament. China drove a wedge of division into the Pacific Island region when it signed this agreement while being well aware that it was a precarious government-to-government pact that could be revoked after a change in government. This awareness prompted Chinese Foreign Minister Wang Yi to visit Fiji at the end of May 2022 in a determined attempt to conclude a collective security agreement with other PICs at once. However, the Chinese agenda fell flat. This event is discussed later in this paper. Prime Minister Sogavare must have anticipated that a collective security agreement between China and the PICs would be unsuccessful. He must have also thought that, in view of the special domestic circumstances, China would not expand its military presence into Solomon Islands in an unscrupulous manner if he had used the treaty with Australia as a dodge. The act of refraining from abrogating the security treaty with Australia and concluding a similar agreement with China reflects the wiliness of the small island nation.

Such a two-timing security diplomacy in relation to Australia and China, which is rather unthinkable in traditional international relations, is not the result of Prime Minister Sogavare being pushed by China to sign the agreement. He did not sign the pact on the spur of the moment, either. This is clear from his political track record. Such two-timing diplomacy was a secret plan that he had been entertaining since his second and third terms in office (2006–2007 and 2014–2017) to overcome the difficulty *for a small nation to maintain its sovereignty*.

2. Underlying Anti-Australian Sentiment

Since the 1990s, Solomon Islands has experienced frequent riots in Guadalcanal, where its capital is located. This developed into a major ethnic conflict across the islands by 2003. The then Governor-General of Solomon Islands

2 “Solomons PM says backlash to security negotiations with China *very insulting*,” by Kirsty Needham, SYDNEY, March 29 / Reuters (<https://www.reuters.com/world/asia-pacific/solomons-prime-minister-says-will-not-pick-sides-confirms-security-negotiations-2022-03-28/>)

3 This treaty was signed in Canberra, Australia, on August 14, 2017. The full text of the treaty can be accessed at AUSTRALIAN TREATY SERIES [2018] ATS 14. Its formal title is “Agreement between the Government of Australia and the Government of Solomon Islands Concerning the Basis for Deployment of Police, Armed Forces, and other Personnel to Solomon Islands.”

requested Australia to deploy its security forces. In response, Australia set up the Regional Assistance Mission for Solomon Islands (RAMSI)⁴ together with other members of the Pacific Islands Forum (PIF) that have their own military, namely New Zealand, Papua New Guinea, Fiji, and Tonga, and dispatched troops and police officers to engage in security operations. However, the conflict did not end easily. RAMSI, in which Australian forces played a central role, was stationed for more than ten years until 2017. During this period, Solomon Islands did not fall into anarchy or see its democracy crumble. Elections were held in the country. Therefore, RAMSI can be evaluated as having contributed significantly to maintaining the government and stabilizing public order in Solomon Islands.

Then, what were the legal grounds for the foreign forces to be stationed in a country with a sovereign government for more than a decade? One legal ground was the Biketawa Declaration,⁵ on which PIF leaders agreed in October 2000 to advocate for mutual security cooperation among nations in the region. The other was the regional cooperation framework among the member states of the Commonwealth of Nations. Moreover, the then Governor-General of Solomon Islands asked the Australian government directly, not through the PIF, to deploy security forces. This indicates that he was more aware of the importance of the framework of the Commonwealth of Nations than of the Biketawa Declaration.

Nevertheless, the Commonwealth of Nations⁶ represents a loose, non-legally binding relationship among its

4 For details of RAMSI, see, for example, Ogawa, Kazuyoshi, “The Political Situation in Solomon Islands after the Deployment of RAMSI, with Focus on its Relations with Australia (in Japanese),” *Pacific Way*, vol. 129, Japan Institute of Pacific Studies, 2007; and Ogashiwa, Yoko, “The Process of Solving Ethnic Conflict in Solomon Islands: Mediation and its Implication (in Japanese),” *Hiroshima Peace Science*, vol. 24, 2002.

1. 5 The Biketawa Declaration was adopted in October 2000 at the 31st Pacific Islands Forum (PIF), held in Kiribati, as a security framework for the region of the member states. In 1987, there was a coup d'état in Fiji. In 1988, the Bougainville conflict occurred in Papua New Guinea. In 2000, a coup was attempted by an armed group in Fiji. This was followed by the struggle between Malaitians and Guadalcanalians in Solomon Islands, which developed into an ethnic conflict. To cope with these states of affairs, Australia and New Zealand took the initiative to build a new security framework at PIF. This led to the adoption of the Biketawa Declaration, which paved the way for military intervention subject to a request for assistance or intervention by the parties to a conflict and approval at PIF. For details of RAMSI, see, for example, Takahashi, Hideyuki, “A Study on the Biketawa Declaration from the Perspective of International Law: Intervention or Assistance? (in Japanese),” *Pacific Way*, vol. 124, Japan Institute of Pacific Studies, 2004.

6 Formally known as the British Commonwealth of Nations (or “英連邦” in Japanese), it was renamed as it is in 1949. However, the term “Commonwealth” is also used to refer to the relationship between the US on one hand and the Northern Mariana Islands and Puerto Rico on the other. To make a clear distinction, the term “Commonwealth of Nations” commonly translates to “英連邦” or “イギリス連邦” in Japanese. As the British Empire decolonized, colonial territories came to enjoy more autonomy. The Imperial Conference of 1926 established the British Commonwealth of Nations, which was formalized through the Statute of Westminster in 1931. The current Commonwealth of Nations was constituted by the London Declaration in 1949. It consists of 56 states, which are united in *their shared values, such as freedom, equality, democracy, human rights, and the rule of law*. Of all the member states,

members, who are united in their *shared values of democracy, human rights, and the rule of law* based on the Statute of Westminster. The statute does not have more detailed provisions concerning security. Nor the Biketawa Declaration have specific provisions for mutual security action. Therefore, from the perspective of international law, it is highly questionable whether stationing foreign forces for more than a decade is justifiable. This question has not yet been fully addressed through academic scrutiny. However, from the perspective of realpolitik, such a question need not be raised regardless of how scholars look at it. I do refer to this issue because Prime Minister Sogavare, who was in office as prime minister twice during the period of RAMSI, says that the sovereignty of his country was markedly undermined by the Australian government and the military.⁷

While being fully aware of the contribution of RAMSI, Prime Minister Sogavare says that Australia forced what it regarded as good governance upon his country, a significant deviation from the original objective of maintaining public order. The humiliation of his country's sovereignty being unreasonably undermined and the powerlessness of having to turn to foreign powers to subdue the domestic ethnic conflict are the sorrows Prime Minister Sogavare felt as the head of a minor power.

In November 2021, another riot broke out in the capital city of Honiara. Demonstrations against the government's switch in diplomatic recognition from Taiwan to China had turned into mobs. The government had no choice but to request Australia to deploy troops and police personnel based on the security treaty. The riot subsided within a few days. However, Prime Minister Sogavare might have recalled a past memory, a reminder that his country's sovereignty might be humiliatingly undermined again. An agreement to receive technical cooperation from the Chinese police was made in December 2021 and the security cooperation pact was signed in April 2022. It seems to me that this series of events reflected Prime Minister Sogavare's ulterior intention to keep Australia at bay, which continued to engage with his country as if it was its ruler as a former suzerain, rather than to move rapidly closer to China. His move can be described as a manifestation of the underlying anti-Australian sentiment.

3. Background to PICs' Closer Engagement with China

The Republic of Kiribati, which also switched its diplomatic recognition from Taiwan to China around the time when Solomon Islands did the same, is often talked about as another island nation that has been co-opted by China. Kiribati essentially shares a similar structure of state formation with Solomon Islands. This is the circumstance that renders this PIC in need of China now.

What is the exact situation? To answer this question, let me begin by reviewing a political event that is happening in Kiribati. A high court justice of Kiribati had not been able to return to his country from his overseas business trip for several months until February 2021 because of border closure due to the coronavirus pandemic. In the meantime, the

15 states have the British king as their head of state while five members have their own monarchs. The remaining 36 states are republics.

7 "RAMSI undermining Solomon's sovereignty: Sogavare," by Campbell Cooney, October 15, 2007. (<https://www.abc.net.au/news/2007-10-15/ramsi-undermining-solomons-sovereignty-sogavare/699998>)

Kiribati government dismissed the justice, citing the completion of his term in office. The justice brought a case before the High Court, arguing that his dismissal was unlawful. The chief justice of the High Court ruled in his favor, annulling the government decision to dismiss him. In response, the government issued a deportation order to the high court justice, who had reentered the country with a tourist visa after the border closure was lifted. The Court of Appeal wasted no time in issuing an injunction against the deportation. The row between the government and the judiciary continued in this way. In August 2022, the Republic of Kiribati President (Taneti Maamau) suspended the presiding justice of the High Court and all justices of the Court of Appeal and replaced the presiding justice with the incumbent attorney general. The opposition parties reacted sharply, and the row has developed into a major political issue. There is no end in sight as of 2023.⁸

Why on earth did such an event occur? Here lies a structural problem associated with state formation that faces PICs. Ms. Tetiro Semilota, who assumed office as the acting Chief Justice of the High Court, was the first attorney general in Kiribati, both as a woman and as a Kiribatian. However, the suspended presiding justice of the High Court is a New Zealander, while the dismissed high court justice is an Australian. In other words, the judiciary in Kiribati and other PICs belonging to the Commonwealth of Nations is built according to the standards of the Commonwealth of Nations. Justices in these countries are mostly Australians, Britons, and New Zealanders from the legal circles of the Commonwealth of Nations. This is where the reason lies why this event developed out of the scope of a domestic political issue into a major event that involves the Commonwealth Magistrates' and Judges' Association, the Commonwealth Lawyers Association, and the law societies of Australia.

PICs achieved political independence as independent sovereign states. Back then, state founders generally believed that the judicial branch of the three powers of the state should be entrusted to the judicial systems and institutions of their former suzerains, as it requires highly specialized knowledge. They thought that as long as they could exercise their executive and legislative powers, they could run their states as sovereign nations without major problems. However, as time went by, such PICs began to have a sense of discomfort about various kinds of meddling, verbal or otherwise, in their executive branch of government by the leaders of their former suzerains. Of course, the judicial power as a state institution does not belong to the Commonwealth of Nations. However, there is a sentiment that the management of these states has been controlled by the Commonwealth of Nations, or, more precisely, Australia and New Zealand. Partially, owing to such circumstances surrounding PICs, the feeling of disliking Australians and New Zealanders often comes to the surface—a feeling that they still take a condescending attitude as if they are the suzerain powers. Of the 14 PICs, 11 are the Commonwealth of Nations states with judicial systems that build on an almost identical legal structure. The remaining three are Micronesian countries that achieved independence from US trusteeship.

The Pacific Island region had long been recognized as an inner sea of the Commonwealth of Nations. The

⁸ "Kiribati suspends all Court of Appeal judges after row over attempts to deport High Court justice David Lambourne to Australia," by Stephen Dzedzic, September 5, 2022. (<https://www.abc.net.au/news/2022-09-05/kiribati-suspends-court-of-appeal-judges/101407060>)

emergence of independent states in the region in the 1960s was followed by the emergence of more island nations there.⁹ Political leaders of these new nations embarked on state building through trial and error in state management, with support from three former suzerains: the United Kingdom, Australia, and New Zealand. At least in this sense, the framework of solidarity called the Commonwealth of Nations has certainly contributed to peace and stability in the region. However, in the 2000s or several decades after these PICs gained independence, their people began to feel that the framework of solidarity was limiting the sovereignty of their nations. It is safe to say that this is the structural factor that provokes antipathy in PICs toward Australia and New Zealand. As mentioned above, the current Commonwealth of Nations is not designed to legally limit the sovereignty of its member states. Nevertheless, PICs face the dilemma of having to accept pressure from their former suzerains in exchange for the various benefits they can gain from them. It seems to me that Kiribati's political stance of moving closer to China while maintaining its relations with Australia and refraining from breaking out of the framework of the Commonwealth of Nations is indeed a diplomatic technique that has been born out of this dilemma, a technique unique to PICs. This holds completely true of Solomon Islands.

4. PICs Are Inseparable from Western Powers

The previous section looked at Solomon Islands and Kiribati to demonstrate that PICs are moving closer to China in an effort to rein in their former suzerains, who tend to adopt a condescending attitude toward them. This section focuses on the state architecture of PICs in relation to their former suzerains.

As shown in the Table 1, among the 14 PICs, 5 are states in free association, 11 are member states of the Commonwealth of Nations. Eight PICs use the currencies of their former suzerains. Only three nations have the military. Strictly speaking, the free association with the US differs in detail from that with New Zealand. However, in either case, as long as a PIC remains in free association, its sovereignty is limited.¹⁰ When one examines the structure and

9 Western Samoa (present-day Samoa) gained independence in 1962, the first nation to do so in the Pacific Island region. Nauru followed suit in 1968. In 1970, Fiji and the Kingdom of Tonga became independent. They were followed successively by Papua New Guinea in 1975, Solomon Islands and Tuvalu in 1978, Kiribati in 1979, Vanuatu in 1980, the Marshall Islands and the Federated States of Micronesia in 1986, and Palau in 1994. Cook Islands became a state in free association with New Zealand and gained autonomy in 1965, followed by Niue in 1974. Cook Islands and Niue gained the authority to exercise diplomatic rights in 1973 and 1988, respectively. Japan established diplomatic relations with Cook Islands in 2011 and Niue in 2015.

10 In free association with New Zealand, Cook Islands and Niue enjoy full autonomy within their territories; however, they are supposed to entrust their defense and diplomacy to New Zealand. Conversely, as footnote 9 explains, both countries now enjoy diplomatic rights. As long as the two nations remain in free association, their peoples enjoy New Zealand citizenship, meaning that they are qualified for a New Zealand passport. In free association with the US, the three Micronesian nations entrust their military and defense, as well as diplomatic matters, to the US. These nations enjoy full autonomy in all other aspects, including the other aspects of diplomacy. Their peoples are not given a US citizenship, but they are free to enter and leave the US and find employment there with a passport of their own nations. The term "free association," regardless of whether it is with the US or New Zealand, is used to mean that either party is free to terminate such a relationship at will.

architecture of these nations, one might question whether they deserve to be called “independent sovereign states.” In fact, when it was planned around 1983 that Micronesia would become independent from the trusteeship, our study group engaged in a lengthy debate as to whether the three future Micronesian nations, which would adopt a new political regime *in free association with the US* could ever be recognized as independent states.

Table 1. How Pacific Island Nations Are Related to Their Former Suzerains and Which Entity They Have Diplomatic Ties with, China or Taiwan

(As of January 2023)

	Name of PIC	In free association with	Commonwealth of Nations membership	Currency	Has the military	Diplomatic ties with
(1)	Federated States of Micronesia	US		US\$		China
(2)	Marshall Islands	US		US\$		Taiwan
(3)	Palau	US		US\$		Taiwan
(4)	Kiribati		√	Australian\$		China
(5)	Nauru		√	Australian\$		Taiwan
(6)	Tuvalu		√	Australian\$		Taiwan
(7)	Tonga		√		√	China
(8)	Samoa		√			China
(9)	Cook Islands	NZ	√	NZ\$		China
(10)	Niue	NZ	√	NZ\$		China
(11)	Papua New Guinea		√		√	China
(12)	Fiji		√		√	China
(13)	Solomon Islands		√			China
(14)	Vanuatu		√			China

Source: Compiled by the author / Note: NZ stands for New Zealand.

The Federated States of Micronesia, for example, has diplomatic rights but entrusts all of its military and defense rights to the US. It does not have a currency of its own. When this nation became independent, most agreed that it was not qualified as an independent sovereign state. At that time, Cook Islands and Niue, which were already in a similar free association, were dominions of New Zealand; therefore, they were not recognized as a state. They were not

members of the United Nations, either. Accordingly, the overwhelming view back then was that Micronesian nations in free association would be treated similarly. However, in current international relations, international recognition held the key, regardless of the grounds in terms of international law and academically defined qualifications for statehood. Accordingly, Micronesian nations would be independent states because the US had declared that it would allow them to become independent. As expected, the states in free association were allowed to join the United Nations as soon as they completed the procedure for terminating their trusteeship.¹¹ By then, no one had questioned whether independent states were born in Micronesia.

By contrast, the Cook Islands and Niue remained in the dominion status. Nevertheless, the Japanese government established diplomatic relations with Cook Islands in 2011 as the 31st country to recognize it as a state. In 2015, it established diplomatic ties with Niue. This must have been a political decision on the part of Japan, which wanted to counteract China's recognition of both territories as states, although their political statuses remained unchanged. In this way, both Cook Islands and Niue became members of the group of PICs in the eyes of Japan. However, it should be remembered that the two countries are not members of the United Nations even today.

This review of the Pacific region suggests that all the 14 nations with diplomatic rights have close relations with their former suzerains. In addition to close diplomatic ties, these nations are closely related to their former suzerains in terms of state structure and architecture. This means that even if China drives a powerful wedge through assistance and cooperation, it cannot possibly sever the relationship between PICs and their former suzerains. Leaders of PICs are fully aware of the reality that they cannot maintain their statehood if they cut off relations with their former suzerains.

Because of this state architecture, PICs cannot afford to discuss *security issues* on the basis of a new military alliance or a country-to-country agreement. The fact that these PICs are either in free association or within the

¹¹ Both the Federated States of Micronesia (FSM) and the Marshall Islands (RMI) became independent from trusteeship in 1986. It was not until 1991, however, that both nations acceded to the United Nations. Behind the five-year gap lay somewhat complex circumstances. In 1986, the US declared a transition to a free association status for the two countries after the United Nations Trusteeship Council (UNTC) adopted a resolution to put an end to trusteeship. This effectively represented the emergence of independent states. Still, because Micronesia was under trusteeship as a *strategic area*, putting an end to trusteeship for this area required the relevant procedure at the United Nations Security Council (UNSC), not the UNTC. This procedure was not carried out at the UNSC because the Soviet Union (present-day Russia), a UNSC permanent member with a veto power, showed its opposition to the plan to end trusteeship as long as the area maintained a close relationship with the US. Constrained by its own rules, the UN could not grant membership to the two new nations. However, subsequently, one country after another recognized them as independent states. Japan established diplomatic relations with these de-facto independent states in 1988. Under these circumstances, the Soviet Union retracted its opposition. In December 1990, the UNSC adopted a resolution to terminate trusteeship for these Micronesian countries. The Soviet Union abstained, and Cuba cast a vote against the resolution, but the rest of the UNSC members voted for it. In the following month, January 1991, the two countries were admitted to the United Nations. Palau, the last remaining UN trust territory, transitioned to a free association status in 1994. At that time, the UNSC easily adopted a resolution to end the trusteeship for the country, which was admitted to the UN immediately afterward.

framework of the Commonwealth of Nations, or both, testifies that they were founded as states that do not intend to defend themselves against attacks from, and invasions by, foreign powers. Even the three nations have their military as a means to solidify national unity and for the primary purpose of domestic public order, which can be undermined by ethnic conflicts among other factors. Therefore, the issue of security for PICs boils down to how they can defend themselves from the risk of losing their lands because of domestic ethnic conflicts and natural disasters such as volcanic eruptions, earthquakes, and tsunamis, as well as climate change. Therefore, for PIC leaders, getting involved in the security debate among major powers that envision a military alliance with them is nothing but a nuisance. The neighboring powers should know such a sentiment of Pacific Islanders.

5. How PICs Evaluate China as a Growing Donor in the Region

Too much attention to China's increasing engagement with PICs may mean disregarding the essential perspective of how they react to it. Therefore, this section focuses on the actions PICs have taken in relation to China and how they evaluate China's engagement.

Chinese Foreign Minister Wang Yi planned to visit PICs immediately after China successfully concluded a security cooperation agreement with Solomon Islands. Prior to the planned visit, on April 12, 2022, he sent a *draft joint communique* to the ten countries with which China had diplomatic relations. The draft called for a framework of cooperation across a wide range of sectors—including security, trade, and data communication—as if to share a common future. In response, President David Panuelo of the Federated States of Micronesia wasted no time writing a letter to the leaders of the countries concerned, warning that it is extremely dangerous to build a framework that goes beyond the scope of conventional diplomatic relations with a view to seeking collective security cooperation.¹² Nevertheless, Foreign Minister Wang visited eight PICs for ten days as planned. On May 26, during his visit to Fiji, Foreign Minister Wang participated in a foreign ministers meeting that was attended by nine PIC leaders, which was conducted both online and in person. He called on the PIC leaders to agree to build a cooperative relationship for regional collective security, as called for in the draft joint communique. In response, Fiji President Frank Bainimarama, whom China counted on the most and who led the discussion throughout the meeting, refused China's proposal, saying that it was not appropriate to develop a special relationship with a country outside the region that goes beyond the scope of the existing regional cooperation framework. The next day, on May 27, Fiji signed to join the US-led Indo-Pacific Economic Framework¹³ as the first PIC to do so. This move was completely contrary to China's expectations; indeed, it was a face-losing experience for China.

12 "FSM president warns Pacific leaders over China documents," May 27, 2022, RNZ Pacific. (<https://www.rnz.co.nz/international/pacific-news/467955/fsm-president-warns-pacific-leaders-over-china-documents>)

13 The Indo-Pacific Economic Framework (IPEF) is a new economic zone initiative that was launched in May 2022 at the initiative of US President Joe Biden. The IPEF discusses, such issues as trade, supply chains, clean economy including energy security, and equitable economy including anti-corruption, with a view to counteracting China's move. It does not handle the issue of reducing or removing tariffs. The Republic of Fiji was among the 14 nations that had expressed its intention to join this initiative.

There have been a number of cases in which China's agenda or plans failed to produce the expected outcomes. China is bewildered by the fact that things do not turn out as it wishes, despite huge amounts of assistance and cooperation it has extended to the region. The hasty call for a collective security agreement by Foreign Minister Wang gave off an air of impatience on the part of China. This must be a corollary of China's great-power chauvinism, which furiously pursues the country's interests without adequately understanding the circumstances surrounding Pacific Islands. China showed a glimpse of such a chauvinistic attitude when a Chinese delegate stormed out of the room where the PIF was holding its annual leaders meeting in September 2018. Here is an account of this incident.

During the PIF Post Forum Dialogue of that year, the leader of Tuvalu was beginning to speak according to the prearranged order when a China envoy cut in and began to talk. The Nauru President, in his capacity as chair, asked him to stop talking, but he refused. Therefore, the chair ordered him to leave. Instead of leaving from the door just behind him, the Chinese envoy loudly lambasted the chair for his high-handedness. While he was at it, he slowly walked around the round table where the leaders were seated before leaving. The PIC leaders calmly saw him leave with a wry smile.¹⁴

Earlier, I have explained that PICs harbor antipathy toward Australia and New Zealand, although they maintain close state-to-state relations with the two countries. China and its people, who always take an overbearing and condescending attitude, are also not liked by Pacific Islanders. This is why Chinese stores and people were the first targets of arson and violent attacks, in which rioters in civil unrest in Tonga and Solomon Islands chose to vent out their frustrations. However, PICs are willing to accept assistance and cooperation from China. Their motives can be summarized into the following three points:

- (1) By expanding the number of bilateral donors, PICs increase the absolute quantity of assistance/cooperation they receive and stabilize its delivery.
- (2) By discouraging former suzerains from excessively interfering in their state of affairs because of their overdependence on assistance from these donors, they assert their presence as independent sovereign states.
- (3) Assistance from China is quite attractive because it does not attach any conditions to the internal affairs of recipient countries (democratic approaches, human rights, etc.) and involves only an extremely simple procedure until aid is disbursed.

Thus, it is unlikely that PICs will move closer to China and eventually leave the Western bloc. A close examination of the three major motives discussed above suggests that it is their former suzerains and major Western powers that create conditions for PICs to move closer to China. In short, it is safe to assume that the political failures of the major Western powers have pushed PICs closer to China. Several cases prove this assumption. A case in point is the tug of war that broke out in July 2017 over who would lay submarine cables between Australia and Solomon Islands. This incident illustrates Australia's attitude toward PICs.

¹⁴ This is an account of what happened at the meeting given to the author by FSM Foreign Minister Lorin Robert, who was attending at the September 2018 meeting. This incident was reported by The Guardian on September 5, 2018. This article is accessible on the electronic version of the British newspaper.

It began when the Solomon government formally signed a contract with Huawei, a major Chinese telecommunications carrier, to lay a submarine communication cable between Solomon's capital city of Honiara and Sydney, Australia. Surprisingly, the Australian government pressed for cancellation of the contract, arguing that it did not allow a submarine cable involving a Chinese company to connect with Australia from the perspective of security. As a result, the Solomon Islands Government cancelled the formal contract with Huawei. It was agreed that such a submarine cable would be laid by the assistance project that Australia implements with New Zealand. Nevertheless, two issues must be addressed. First, why didn't Canberra do anything about it until Honiara concluded the formal contract with Huawei? Second, why did Honiara accept Australia's request and cancel the formalized contract? The answer to the first question is that Canberra and Wellington failed to observe what was occurring in neighboring PICs. Their failure manifested in this manner. The answer to the second question is that Solomon Islands decided to put the substantive benefit of assistance over faith in international relations because either China or Australia would do so for the country. Canberra was relieved at Honiara's final decision. Nevertheless, this event caused the US to lose confidence in Australia and New Zealand as powers that should take on a leadership role in the Pacific Island region. In 2018, the US changed its policy for the Pacific Island region and began implementing new diplomacy in the region.

6. China's Increasing Presence in the Pacific and Its Aid to PICs

China's increasing engagement with the Pacific Island region began to become conspicuous in circa 2000, when the country was rolling out such engagement activities globally. In the Pacific, China tried to block assistance activities that Taiwan has been extensively implementing in fields such as the extension and development of agricultural technology and the repair and construction of ports and roads. At the same time, China targeted islands where Taiwanese assistance was weak with substantial aid.

Internal politics in most PICs did not have political issues such as ideologies or conflicting approaches to state building. Political conflicts came from domestic tribal rivalries, power struggle based on community and blood ties, and even differences in mindsets between traditional societies and groups of wage earners. China's increased engagement with the Pacific, however, has created a new political issue of choice between Taiwan and China. Now, what Taiwan and China are doing influences the decisions of each politician and group to support the former or the latter. This criterion, in turn, complicatedly tangled with internal politics in PICs, thereby destabilizing society. China and Taiwan have also become a thornier issue than ever for PIC leaders.

A case in point is the Republic of Nauru, which gained independence in 1968. In 1980, Nauru established diplomatic relations with Taiwan, which appeared before it. More than 20 years later, in 2002, the country broke off relations with Taiwan and switched its diplomatic recognition to China. This move was no different from recent diplomatic moves of Solomon Islands and the Republic of Kiribati. However, two years later, in 2005, Nauru severed relations with China and reestablished diplomatic ties with Taiwan. According to a report by an Australian newspaper,¹⁵ Canberra pressured Nauru to break ties with Taiwan immediately, arguing that maintaining ties with China was proper

¹⁵ Brisben Times, August 29, 2011.

diplomacy. However, the then president of Nauru, Ludwig Scotty, rebuffed the pressure, saying “that is none of Australia’s business.” As this is a newspaper report, Canberra’s real intention and relevant background are difficult to fathom. Nonetheless, it is interesting that Australia applied pressure that was exactly the opposite of its current policy.

In any case, China’s activities in the Pacific increased annually, as did aid flows. According to the information published by China’s foreign ministry in 2022, since the 1970s, the assistance that the Chinese government has provided with no political strings attached to the PICs with which it has diplomatic ties includes more than 100 projects; over 200 batches of in-kind assistance, skills, and technical training in various fields for more than 10,000 people; and the dispatch of over 600 medical personnel.¹⁶ No further details of these projects or aid amounts have been disclosed by China. However, the Lowy Institute of Australia estimates the total aid flow from China to the region by compiling the data released by recipient PICs.¹⁷

According to this estimate, China has disbursed a total of 3,751 million dollars in both grants and loans for 20 years between 2000 and 2020. This accounts for 7–8% of China’s total aid to developing countries, a figure much higher than the comparable figure for Japan, which is less than 2%, thus showing that China allocates a particularly larger share of its aid to PICs. Such large aid flows have a great impact on politics in PICs, suddenly dwarfing Taiwan’s assistance, which has a sound track record in the region. This is a solid fact. Still, China has yet to establish solid relations with PICs as it wishes, although it now prides itself as the third-largest donor country, following Australia, a former suzerain, and the US, which provides fiscal support to the three Micronesian nations. This is a stern reality, as suggested by several previously reviewed case studies. For this reality is the very reason, China is desperate.

Table 2. China’s Aid to Pacific Island Countries (PICs)

Unit: million dollars

Year of disbursement	Amount	Remarks
2000–2017	3,148	Total for 17 years
2008	204	
2016	287	Largest amount
2017	265	3rd largest donor country after Australia and the US
2018	246	Grants: 59%; loans: 41%
2019	169	Grants: 33%; loans: 67%
2020	188	

16 A Fact Sheet provided by the Chinese Ministry of Foreign Affairs (https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/2649_665393/202205/t20220524_10691917.html)

17 The Lowy Institute, an Australian think tank, estimates the amount of aid flows from China by compiling relevant figures published by recipient countries in the region. (<https://www.lowyinstitute.org/programs-projects/pacific-aid-map>)

Source: Compiled by the author from the Lowy Institute Pacific Aid Map

Note: The figures include aid to the PIF in addition to bilateral aid to PICs with which China has diplomatic ties.

Despite the large amounts, China's assistance to Pacific Islands has not yet been evaluated highly for a reason. That is because the Chinese assistance is problematic in several ways. First, it barely benefits local economies because it involves bringing materials and workers from China. Second, the completed structures are generally of low quality. Third, they involve more loans than grants.

Chinese loans come under conditions that are extremely strict compared to ODA loans by the World Bank and OECD member states, although they are readily available due to a lax pre-contract appraisal of the terms of repayment.¹⁸ For Vanuatu, debts to China account for 44% of the country's total debts. For Tonga and Samoa, debts to China represent 43% and 16% of their GDP, respectively. In this way, the Pacific Island region is falling into a "debt trap." Thus, there is an emerging sense of caution regarding China in this region. However, Chinese money, which is easily accessible and readily available in large amounts, is attractive to PICs.

7. PICs' Agency and Presence Cannot be Overlooked

Over the past 20-plus years, China has been expanding its engagement with the Pacific and steadily and successfully increasing its influence on PICs. Recent developments in the Pacific have been understood by many like this way. Indeed, China's increasing engagement has had a huge impact on the region, bringing about changes not only in regional international relations but also in local politics on Pacific Islands. However, a look at this region from the vantage points of PICs and China offers a different picture, as was done in this essay. At least to my eyes, such a picture does not show a group of PICs that are vulnerable and tossed about in the Pacific by the waves of major powers. What it does show is a group of PICs that are proudly exercising their agency and dealing with major powers despite facing interference from their former suzerains because of their small size as a state.

My understanding is that such agency of PICs has galvanized the US, which was previously inactive in the region, to dramatically change its 20-year policy toward PICs. As discussed earlier, since 2018, the US has become more active than ever in the region, sending key government officials to PICs one after another and holding a US-Pacific Island country summit for the first time in more than a dozen years. The strong commitment of the US was evident in the remarks that US Vice President Kamala Harris made at the annual PIF Leaders Meeting that she attended online in July 2022.¹⁹ In her address, Vice President Harris announced that the US government would take a total of ten actions as

18 The standard terms for China's loan aid involve a grace period of 5–7 years, an annual interest rate of 2–3%, and a repayment period of 15–20 years. For Japan's loan aid, the annual interest rate rarely exceeds 1% and the typical repayment period is 30–40 years. These terms are in line with World Bank standards. By comparison, the terms of Chinese loans are strict.

19 "Remarks by Vice President Harris at the Pacific Islands Forum," the White House, July 12, 2022. <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/07/12/remarks-by-vice-president-harris-at-the-pacific-islands->

part of its plans to deepen its engagement with PICs:

(1) Establishing new embassies in Solomon Islands, Kiribati, and Tonga; (2) considering establishing diplomatic ties with Cook Islands and Niue; (3) requesting 600 million dollars in aid from the US Congress for the next ten years; (4) disbursing 130 million dollars in funds to help strengthen climate resilience; (5) appointing an envoy to the PIF; (6) returning Peace Corps volunteers to the region; (7) opening a USAID office in Fiji to cover the entire Pacific region; (8) reinforcing activities based on the Partners in the Blue Pacific (PBP); (9) holding a summit meeting at the White House; and (10) developing a Pacific Partnership Strategy.²⁰

If all these plans are successfully implemented, the relationship between the US and PICs will be stronger than ever before. Galvanized by such a serious commitment of the US, Australia and New Zealand have established a policy to reinforce relations with PICs and decided to increase assistance funds for the infrastructure sector and to step up efforts to help PICs address climate change. Other developed Western countries are expected to align their actions with these moves by former suzerains and steadily increase their assistance to PICs.

China's assistance, however, has been on the decline after peaking in 2016, as shown in Table 2. The rollback by a united West is beginning to overshadow China's growing assistance in the region. In recent years, there has been a change in the governments of some PICs. The new governments in Samoa and Papua New Guinea, for example, cancelled or suspended some projects that they had been implementing with China.²¹ Fiji Prime Minister Sitiveni Rabuka, who in January this year defeated the former administration that had assumed office for 16 years, said his government would end a police training and exchange agreement with China, although it would not adopt an anti-China policy.²² On September 29, US President Joe Biden invited PIC leaders to the White House for a summit meeting, as he had promised. Solomon Islands Prime Minister Manasseh Sogavare, who was expected to decline the invitation, attended the meeting and signed the joint summit declaration, which called for increased solidarity in the region.²³

forum/

20 In her remarks, Vice President Harris set out four key objectives: (1) a strong US-Pacific Islands partnership; (2) a united Pacific Island region connected with the world; (3) a resilient Pacific Island region prepared for the climate crisis and other 21st century challenges; (4) empowered and prosperous islanders (for regional prosperity).

21 Samoan Prime Minister FIAME Naomi Mata'afa, who took office in July 2021 to put an end to the 23-year-long Tuilaepa administration, announced her government would cancel a 100 million-dollar, China-assisted port construction project. PNG has been facing a serious public finance crisis since 2000 partly because it has been receiving loans from China in a haphazard manner. Due to the crisis, some projects that would be financed by loans have yet to be implemented. More and more government projects are virtually suspended. (*Pacific Way*, vol. 159, Japan Institute for Pacific Studies, March 2022. (<https://www.aspistrategist.org.au/chinas-debt-trap-diplomacy-is-about-to-challenge-papua-new-guinea-and-australia/>))

22 "New Fiji govt suspends police commissioner, scraps China policing arrangement," by Kirsty Needham/ Jan 27, Reuters (<https://www.reuters.com/world/asia-pacific/new-fiji-govt-suspends-police-commissioner-scraps-china-policing-arrangement-2023-01-27/>)

23 "Solomon Islands signs U.S.-Pacific partnership statement in about-face" (<https://asia.nikkei.com/Politics/International->

As mentioned several times in this essay, these decisions by PIC leaders should not be interpreted as the result of succumbing to the pressure of major powers. Rather, they should be interpreted as the result of having chosen to seize on a trend that would better benefit their countries, rather than having chosen between the West and China. In other words, PICs are just exercising their agency as independent sovereign states. Therefore, the recent trend is hard on China. It might be a sign of an emerging change in how PICs look at China.

In recent years, PICs have noticeably become confident in themselves and have come to exercise their agency for three reasons. First, they have been increasingly attracting global attention as a region that is most vulnerable to global warming due to climate change. Second, the growing sense that the oceans are a shared resource has raised the reputation and national value of PICs as having abundant marine and submarine resources. Third, the advancement in communications technology has made it easier for PICs to gather information on world affairs and raise their voices. The emergence of the internet, in particular, has been instrumental in eradicating the global perception of them as being located on the fringe of the world. Therefore, Pacific Islanders are likely to have more confidence in going forward.

Therefore, PICs cannot be underestimated despite their small size. Therefore, I believe that any country that wants to engage with PICs must first dispel their image as small, weak, and remote states and make efforts to fully understand their circumstances and sentiments.

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