Looking for new Friends

Sustainable South-South Cooperation
or
Temporary necessity in Fiji’s international relations after
the coup of December 2006

Eberhard Weber
The University of the South Pacific, Fiji Islands
The Coup of December 2006

Soldiers remove police weapons

The Fiji Times

Backbenchers vow to back PM: Page 3

Fiji SUN

By force - a mounted officer uses a roadblock into the capital of Vava'u last night after the military took control of the police station. Photo: KALASI RAI

Continued on Page 2
The narrative

• As a result of Fiji’s international isolation after the coup of December 2006 and the abrogation of the constitution in April 2009 China used opportunities to stronger engage in Fiji.
• This was done through providing development assistance when Fiji’s old friends became hesitant to support the military (supported) government.
• As a result the PRC gained stronger influence in the Pacific Island region to the disadvantage of traditional powers and the Pacific Island countries.
• With democratic elections in September 2014 the situation was expected to return “back to normal”
I argue:

The narrative is wrong

• „Looking North“ actually is looking everywhere.
• It is not China who takes advantage of Fiji‘s international isolation, but it is Fiji‘s (successful) attempt to „politically diversify“.
• This attempt started before the 2006 coup under the Qarase Government which later was replaced by the coup.
The bigger Context

It is impossible to see Fiji – Chinese relationship independent of

– Changes in Western political and strategic interests in the Pacific Island region
– Changes in Chinese policies and strategies that include Pacific Islands
– Policies and interests of Pacific Island governments making use of their agency.
– Australia did not isolate Fiji, but in the long term the Fiji Government has isolated Australia in its stand against Fiji.
Political Perspective

China and Taiwan in the South Pacific: Diplomatic Chess versus Pacific Political Rugby

Graeme Dobell

China no rival in the battle for island influence

U.S. Interests and China’s Growing Influence

Chinese Assistance in the Pacific: Agency, Effectiveness and the Role of Pacific Island Governments

Matthew Dornan and Philippa Brant

A new regional cold war? Through the Pacific prism

Steve Ratuva
University of Auckland

China, Taiwan and the Changing Strategic Significance of Oceania

John Henderson

Dragon in Paradise
China’s Rising Star in Oceania

—John Henderson & Benjamin Reilly

China in Fiji: displacing traditional players?

Jian Yang
Published online: 19 May 2011

China: Stumbling Through the Pacific

Fiji grabs the limelight as leaders of China and India

The Geopolitics of Chinese Aid
Mapping Beijing’s Funding in the Pacific

By Philippa Brant
Decline of Western Influence

Since the end of the Cold War

- US Pacific Feet reduced by half
- USA closed embassies in Solomon Islands and Samoa
- Closed USAID offices in Fiji and PNG
- Cut back on scholarships

- British High Commission in Vanuatu closed 2005
- British High Commission in Tonga closed 2006
- Cut back on scholarships
Motivation for Chinese Support

- **Until 2008**: competition with Taiwan for political recognition; support from PICs
- Pacific Islands governments enhanced competition between PRC and ROC to maximize their benefit, at times approaching both countries at the same time.
<table>
<thead>
<tr>
<th>Country</th>
<th>Period</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cook Islands</td>
<td>(1997-)</td>
<td>*</td>
</tr>
<tr>
<td>Federated States of Micronesia</td>
<td>(1989)</td>
<td></td>
</tr>
<tr>
<td>Fiji</td>
<td>(1975-)</td>
<td></td>
</tr>
<tr>
<td>Niue*</td>
<td>(2007-)</td>
<td></td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>(1976-, 1999)</td>
<td>PNG briefly recognized Taiwan; in 2008 Taiwan spent US$19 m to gain PNG recognition</td>
</tr>
<tr>
<td>Samoa</td>
<td>(1975-)</td>
<td></td>
</tr>
<tr>
<td>Tonga</td>
<td>(1998-)</td>
<td></td>
</tr>
<tr>
<td>Vanuatu</td>
<td>(1982-; briefly recognized Taiwan in 2004)</td>
<td></td>
</tr>
<tr>
<td>Kiribati</td>
<td>(2003-)</td>
<td></td>
</tr>
<tr>
<td>Marshall Islands</td>
<td>(1998-)</td>
<td></td>
</tr>
<tr>
<td>Palau</td>
<td>(1999-)</td>
<td></td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>(1983-)</td>
<td></td>
</tr>
<tr>
<td>Tuvalu</td>
<td>(1979-; 2006 concerns that Tuvalu could recognize PRC)</td>
<td></td>
</tr>
<tr>
<td>Fiji</td>
<td>(1971 – 1975)</td>
<td></td>
</tr>
<tr>
<td>Samoa</td>
<td>(1972 – 1975)</td>
<td></td>
</tr>
<tr>
<td>Tonga</td>
<td>(1972 – 1998)</td>
<td></td>
</tr>
</tbody>
</table>

*New Zealand has important influence in foreign policy
• After 2008 Chinese aid follows economic/commercial interests „from below“ especially in construction sector.

• Even today Chinese aid is often portrayed as irresponsible and exploitative, allowing Pacific governments to avoid necessary reforms.

• Closely connected to Australia’s security discourse concerning Pacific Islands after 9/11 and Bali Bombings (2002; 2005).

• Pacific Island leaders’ agency cannot be discounted. It creates the impression that China’s political influence in the Pacific Islands has increased considerably, but indeed there are many Davids who successfully fight a few Goliaths.
The rational and „conditions“ of support from the PRC

• Between 2004 – 2009 China‘s global aid budget increased by some 30 percent annually.
• China displays itself as „developing country“ and sees its aid as the fulfilment of its international responsibility „to help recipient countries to strengthen their self-development capacity, enrich and improve their peoples‘ livelihood, and promote their economic growth and social progress“.
The rational and „conditions“ of support from the PRC

- China considers aid as an instrument of „South-South Cooperation“ of a country with a shared history of (negative) experience with imperial powers.
- „China stands ready to provide assistance without any political string attached“ (Premier Wen 2006 at China-PIC Forum).
- No political conditionality rather than no conditionality at all.
The rational and „conditions“ of support from the PRC

Conditionalities:

• Aid and concessional loans only to countries that do not recognize ROC as independent state
• Contractor must be a Chinese Company approved by the Chinese Government
• At least 50 percent of materials must be procured from China.
• Often labourers are brought in from China.
Motives beyond political recognition

Economic Interests

- Tuna Fisheries
- Garments
- (Deep Sea) Mining
- Construction (Housing / Roads)
Tuna catch in the Western and Central Pacific 2013

The bar chart shows the tuna catch in Thousand US$. The countries are listed on the y-axis, and the bars indicate the catch in two categories: external countries and FFA countries. The countries on the chart include Australia, Cook Islands, Fiji, FSM, Kiribati, Marshall Islands, New Zealand, PNG, Solomon Islands, Tuvalu, Vanuatu, China, Ecuador, El Salvador, French Polynesia, Indonesia, Japan, Korea, Philippines, Spain, Taiwan, USA + territories, and Vietnam.
Low-cost Housing
Bauxite Mining
**November 2014:** China-Pacific Islands Countries (PIC) Leaders meeting with Chinese President Xi Jinping in Nadi
Against the Narrative

• In May 2009 Fiji was expelled from the Pacific Island Forum (PIF)
• In 2013 Fiji hosted the Pacific Islands Development Forum (PIDF) a challenge to the PIF and established in response to Fiji’s exclusion from the Forum.
• In October 2014 Prime Minister Bainimarama announced that Fiji has set conditions for its return to the Pacific Islands Forum (PIF) after he had received a letter from PIF leaders that Fiji’s suspension had been lifted.
Against the Narrative

• “Fiji is not going back to PIF till some changes and reforms are made in the organisation; for example Australia and New Zealand to move out of PIF,” Australia and New Zealand should become development partners like nations such as Japan, China and Korea.
Thank you very much
Official Development Assistance (ODA)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>187</td>
<td>Niger</td>
<td>17,831,270</td>
<td>764</td>
<td>43</td>
</tr>
<tr>
<td>186</td>
<td>Congo (DR)</td>
<td>67,513,677</td>
<td>3587</td>
<td>53</td>
</tr>
<tr>
<td>185</td>
<td>Central African Republic</td>
<td>4,616,417</td>
<td>235</td>
<td>51</td>
</tr>
<tr>
<td>184</td>
<td>Chad</td>
<td>12,825,314</td>
<td>454</td>
<td>35</td>
</tr>
<tr>
<td>183</td>
<td>Sierra Leone</td>
<td>6,092,075</td>
<td>447</td>
<td>73</td>
</tr>
<tr>
<td>182</td>
<td>Eritrea</td>
<td>6,333,135</td>
<td>127</td>
<td>20</td>
</tr>
<tr>
<td>181</td>
<td>Burkina Faso</td>
<td>16,934,839</td>
<td>1058</td>
<td>62</td>
</tr>
<tr>
<td>190</td>
<td>Burundi</td>
<td>10,162,532</td>
<td>567</td>
<td>56</td>
</tr>
<tr>
<td>179</td>
<td>Guinea</td>
<td>11,745,189</td>
<td>316</td>
<td>27</td>
</tr>
<tr>
<td>178</td>
<td>Mozambique</td>
<td>25,833,752</td>
<td>2107</td>
<td>82</td>
</tr>
<tr>
<td>n.a.</td>
<td>Cook Island</td>
<td>20,629</td>
<td>20</td>
<td>970</td>
</tr>
<tr>
<td>88</td>
<td>Fiji</td>
<td>881,065</td>
<td>91</td>
<td>103</td>
</tr>
<tr>
<td>133</td>
<td>Kiribati</td>
<td>102,351</td>
<td>56</td>
<td>547</td>
</tr>
<tr>
<td>n.a.</td>
<td>Marshall Islands</td>
<td>52,634</td>
<td>88</td>
<td>1,672</td>
</tr>
<tr>
<td>124</td>
<td>Micronesia, Fed. States</td>
<td>103,549</td>
<td>132</td>
<td>1,275</td>
</tr>
<tr>
<td>n.a.</td>
<td>Nauru</td>
<td>10,051</td>
<td>34</td>
<td>3,383</td>
</tr>
<tr>
<td>n.a.</td>
<td>Niue</td>
<td>1,344</td>
<td>19</td>
<td>14,137</td>
</tr>
<tr>
<td>60</td>
<td>Palau</td>
<td>20,918</td>
<td>28</td>
<td>1,339</td>
</tr>
<tr>
<td>157</td>
<td>Papua New Guinea</td>
<td>7,321,262</td>
<td>634</td>
<td>87</td>
</tr>
<tr>
<td>106</td>
<td>Samoa</td>
<td>190,372</td>
<td>125</td>
<td>857</td>
</tr>
<tr>
<td>158</td>
<td>Solomon Islands</td>
<td>561,231</td>
<td>332</td>
<td>592</td>
</tr>
<tr>
<td>n.a.</td>
<td>Tokelau</td>
<td>1,195</td>
<td>20</td>
<td>16,736</td>
</tr>
<tr>
<td>100</td>
<td>Tonga</td>
<td>105,323</td>
<td>83</td>
<td>768</td>
</tr>
<tr>
<td>n.a.</td>
<td>Tuvalu</td>
<td>9,876</td>
<td>27</td>
<td>2,734</td>
</tr>
<tr>
<td>131</td>
<td>Vanuatu</td>
<td>252,763</td>
<td>103</td>
<td>407</td>
</tr>
<tr>
<td>n.a.</td>
<td>Wallis and Futuna</td>
<td>13,272</td>
<td>118</td>
<td>8,891</td>
</tr>
</tbody>
</table>

http://www.worldometers.info/world-population/world-population-countries/  
Information on Chinese Aid: Lowy Institute for International Policy  
Information on HD ranking: Human Development Report 2014
Figure 2: Traditional and non-traditional development assistance, Fiji, 2000-2012

Australia, USA and China „ODA“

Bilateral foreign aid to selected Pacific countries
2006-13 total, $m

Aid from:
- China
- US
- Australia

Total aid to selected countries:
- China: 1,154
- US: 1,057
- Australia: 4,764

Source: Lowy Institute
Milestones of Pacific Island – PRC relationship

**Since 1988** Intensification with South Pacific Forum (later Pacific Islands Forum Secretariat)

**2003:** China joins the South Pacific Tourism Organization (SPTO). Donates $100,000 to SPTO and thus becomes single largest paying member. China gives Approved Destination Status (ADS) to Cook Islands, Fiji, Tonga and Vanuatu.

**April 2006:** 1st China-Pacific Islands Countries Economic Development and Cooperation Forum  
**US$ 516.5m**

**November 2013:** 2nd China-Pacific Islands Countries Economic Development and Cooperation Forum  
**US$ 1 b soft loans**

**November 2014:** China-Pacific Islands Countries (PIC) Leaders meeting with Chinese President Xi Jinping in Nadi
Milestones of Pacific Island – PRC relationship

**November 2013:** 2nd China-Pacific Islands Countries Economic Development and Cooperation Forum  US$ 1 b soft loans

In addition
- Zero-tariff treatment for 95% of exports from least developed countries
- 2,000 scholarships for Pacific students over four years.
- Commitment to negotiate bilateral civil aviation agreements and encourage direct flights.
- Provision of medical facilities, including medical teams, equipment and medicine. China will share malaria-prevention experience and technology with Pacific countries.
- Promotion of bilateral agricultural trade and investment through agricultural demonstration farms.
- China will provide low-carbon products to the Pacific including solar lamp bulbs, energy-efficient home appliances, and hydropower and biogas facilities. It will also develop extreme-weather early warning and ocean environment monitoring systems.