China and India’s Rising Presence in the South Pacific Region: A Challenge to Australia’s Leadership?

Abdul Rahman Sagara Prakasa  Dion Maulana Prasetya  M. Syaprin Zahidi  
Department of International Relations, University of Muhammadiyah Malang  
Jl. Raya Tlogomas, No.246, Malang, East Java, Indonesia, 25144

Abstract
The South Pacific region has been attracting more interest for major power players. At first, Australia was the only recognizable actor in the region. Australia considers itself as the regional power and the leader of the region. Australia’s leadership allows it to provide the region with military assistance, and economic assistance. It’s leadership also allows Australia to be the most influential country in the region. however, other countries start to take interest in the region. India has started its strategic expansion to the region. India’s attempts at increasing its influence over the region is by developing stronger ties to the South Pacific countries to various aids, and investments. China is another actor that started getting involved in the South Pacific. This paper will take a look at the approach that China and India take to gain influence over the region compared to Australia. This paper will explore the theme of leadership and hegemony. In addition, it will analyze the impact on Australia’s leadership and its response towards the issue.

Keywords: Leadership, South Pacific, China, India, Australia.

Introduction
Australia sees the South Pacific as Its neighbor. Hence, it is only natural for Australia to consider the region as Australia’s natural sphere of influence. in an article titled “Australia and regional order in the South Pacific and beyond”, author Derek McDougall argues that Australia has indeed seen itself as playing a leading role in the South Pacific. Australia needs to take its role as a leader in the South Pacific Region in order to maintain security and protect its interests as it is the leading developed nation in the region ever since gaining total independence in the 1970s (Brown, 2012). Australia has been actively providing aids to the region for decades. It has a clear influence and strong political presence in the South Pacific Region.

Since 2001, Australian government begun to attempt to implement its leadership and establish its assertive role in the South Pacific region. This is due to the fact that there were numerous failing states taking place in the region. Failing states could lead to other crises. In 2001, former Australian Prime Minister Howatd stated:
‘It is in Australia’s interests and in the interests of our Pacific Island neighbours to strive for a region that is economically viable, politically stable and free from crime. The financial costs and potential threats to Australia from failing states, including transnational crime and international terrorism, would be immense.’

One of the driving forces of Australia’s involvement in the region is to protect its citizens security. Australia believed that failing states could pose a threat to Australia’s interest in that failing states could be turned as a base of operations of terrorist groups, and transnational criminals. Hence, began to maintain regional security by providing troops around the region. In 2003, the Regional Assistance Mission to Solomon Islands or RAMSI was established to maintain order and security in the failing state that is the Solomon Islands (Fepula’I, 2010). The establishment of RAMSI was a direct request to former Australian Prime Minister John Howard created by Sir Allan Kemakeza who was the former Prime Minister of Solomon Islands. It was then agreed upon by the remaining 15 member states of the Pacific Islands Forum. The mission itself involved police, military and development components. The main objectives of the mission were to restore law and order, stabilize government finances, promote long-term economic recovery, and rebuild a transparent and accountable government to combat corruption (Fepula’I, 2010). The mission lasted for more than ten years.

Another driving force in Australia’s involvement in the South Pacific Region is to create an economically stable region. Numerous Australia’s foreign policies in the South Pacific is aid policy. Australia has been helping the region through various organisations such as AusAUD, the department of Foreign Affairs and Trade, and other independent aid agencies. Over the years, Australia has been providing the South Pacific Region with aid. In fact, Australia holds 60% share of total aid from the Organisation for Economic Co-operation and Development (OECD) countries to the Pacific region. Since 2006 up to 2013 Australia provided AUS $7 billion worth of aid to 16 countries in the Pacific region (Lowy Institute, 2018). However, the funding of the region reached its peak in 2012-2013. After 2013, the funding for the region decreases gradually as it keeps receiving budget cuts by Australian government (Lowy Institute, 2018). In 2014, former Australian Prime Minister Tony Abbott announced massive cuts to Australia’s foreign aid program. The budget for Australia’s aid program had decreased to AUS $4 billion (Lowy Institute, 2018).

The fourteen island nations in the South Pacific Ocean had attracted low interest for major power players.
On the other hand, this notion evolved as major players in Asia began to draw their attention to the region. At first, the only major player that has a strong political, and military presence can be found in Australia’s role as the regional power, and the leader. However, this seems to change as India strengthens its ties and connection to the South Pacific Islands, especially Fiji. India, at first, India had limited historical interactions with the South Pacific Region, due to its geographical distance. Also, India’s military presence in the region is not as significant as the Australia’s. Prime Minister Modi and his foreign policies show significant involvement in the south pacific region. Another major power player that is expanding its reach to the region is China. China’s interest began to shift towards the South Pacific Region. China began increasing its involvement in 2006 during the first China-Pacific Island Countries Economic Development and Cooperation Forum. During the forum it China promised to increase the funding to eight out of fourteen Pacific Island countries (Dayant, Pryke, 2018). Since then, it has been actively providing Pacific Island nations with foreign aids.

This would then incite questions such as, what are the implications of China and India’s growing presence and influence over the South Pacific Region. Also, how would this affect Australia’s status as the leader and regional power. Furthermore, how does the situation affect Australia’s diplomatic relationship with China and India. This paper will attempt to answer those questions as it will look at the foreign policies of each competing countries. It will also take a look at Australia’s response in regards to China and India’s involvement in the South Pacific Region. In addition, this paper will try to analyze the implications the situation brings to Australia’s relationship with both countries.

Research Methodology
The research in this paper utilizes resources with qualitative data analysis acquired through various journals, online articles, books, and other related resources. The concept and theory of leadership and hegemony defined by various thinkers will be used to analyze Australia’s efforts in order to maintain its role as a leading country in the South Pacific. It will also be used to justify Australia’s foreign policy and involvement in the region.

Leadership and Hegemony
The word hegemony is derived from the Greek word hegemonia, which signifies supremacy. It expresses the dominant status in a system over others. The concept itself is associated with superordinate powers connected to states with great wealth and power. Hegemony is a means for maintaining and achieving power. Antonio Gramsci characterized cultural hegemony as “the ‘spontaneous’ consent given by the great masses of the population to the general direction imposed on social life by the dominant fundamental group; this consent is ‘historically’ caused by the prestige (and consequent confidence) which the dominant group enjoys because of its position and function in the world of production”. It is a concept in which the ruling groups or the superordinate impose a direction on social, and the subordinates are influenced to follow that direction (Lears, 1985). Originally Gramsci’s idea of hegemony revolves around the relationship between power and culture under capitalism. Dirk Nabers stated that Leadership is a way to achieve hegemony.

In a paper written by Dirk Nabers it is stated that Leadership is concept in which there is a complex relationship between a leader and followers. Leadership over others is implemented to achieve a common goal (Nabers, 2016). Gaining leadership over others is a competitive process. Many parties will try to gain leadership over others over an issue or a common threat. An example would be USA as a leading force in war on terror (Nabers, 2016). Unlike the traditional notion of power, Leadership is gained through mutual trust and agreement between the leader and the followers. Leadership does not use force, and coercion in its approach (Nabers 2016). Leadership is competitive in nature, which means that a potential leader has to appeal to its potential followers. The ability to present an appealing offer to potential followers is crucial due to its competitive nature.

Nabers explains that there are four key components of leadership. The first aspect of leadership is that it leadership needs to be conceptualized as an activity. Leadership most of the time does not come from the traditional notion of power. Rather, leadership demands the ability to identify the issue and sets the priorities. Leaders should also be the one who could manage and allocate resources, implement incentives and threats. An example of this would be the United States of America as the leading force in war on terror. Secondly, leadership demands repetition and continuity. The continuous cooperation between leaders, and followers on an issue is needed to ensure that the goal is achieved. It needs to be institutionalized in that leadership is issue specific. An example of this would-be Australia’s militaristic approach in maintaining regional political security in the South Pacific region through RAMSI. The third component explained by Nabers is that Leaders cannot use their power irresponsibly. A leader must act under constraints when exercising power. Nabers explains that the relationship between the leader and its followers is based on cooperation and collaboration. The final component that is explained by Nabers is that leadership needs to have normative dimension.

India’s Growing Influence in the South Pacific Region
Historically, India’s links and relationship with the South Pacific Region have been limited. This is since the two
countries are separated by two oceans and are 4,000 miles apart. One of the earliest interactions between India and the Pacific Islands started in 1987. Numerous Indian workers were brought to Fiji to work on sugarcane plantations. After World War 2, India started to show interest in forging ties with the Pacific Islands. India can see that political turmoil in Fiji as well as failing states in the region could lead to other crisis. In 1948, soon after India’s independence, India established a ‘Commission for the Government of India’ when Fiji was still a colony of the United Kingdom. India established diplomatic relationship with Fiji through upgrading the diplomatic outpost to a High Commission in 1970 (Mullen, Prasad, 2014).

India’s strategic expansion in the Pacific Islands could be a threat to Australia’s status as the regional power and leader in the South Pacific Region. Currently, India’s presence in the Pacific Island is limited. India has its Eastern Fleet based in Vishakhapatnam, which operates through the Straits of Malacca (Chandramohan 2018). According to the Indian Navy’s Maritime Security Strategy Document 2015, it is implied that India could expand its operation if it acquired another fleet in the Andaman and Nicobar Islands, thus improving India’s military presence within the South Pacific. India’s interest in the South Pacific Region has shown since 2002. India has been actively participating in the Pacific Islands Forum (PIF) annually since 2002 (Chandramohan, 2018).

India’s diplomatic relationship with the Pacific Islands is also constantly improving. In 2014, India’s Prime Minister Narendra Modi invited the head of states of 14 Pacific Island countries to the first Indo-Pacific Islands Summit which took place in Suva, Fiji’s capital city. The Forum for India and Pacific Island Countries was established through this summit (Chandramohan, 2018). India’s growing presence in the Pacific Islands was strengthened during the second summit of the India-Pacific Islands which took place in Jaipur in 2015. During the summit, Prime Minister Modi announced a plan to open a new satellite for the Indian Space Research Organization 9 (ISRO) (Wyeth, 2017). In addition, 12 of the 14 Pacific Island countries committed their support for India’s Permanent Membership in the United Nations Security Council. Two Pacific Islands which were Cook Islands and Niue did not pledge their support due to their inability to vote in the United Nations (Chandramohan, 2018). This shows that India’s growing political presence in the South Pacific Region. Furthermore, India is growing its military presence in the Pacific Islands. In May 2017, Fiji and India signed a new defense agreement, in which India pledged to improve Fiji’s naval facilities and capabilities. This implies India’s interest to establish a naval presence in Fiji (Wyeth, 2017).

India’s growing influence differs from that of other competing parties in that it can be met with pleasant reception from its potential followers. Unlike other powers such as France with its colonial History, Australia’s paternalist approach in the region, and China and Taiwan’s diplomatic game, India is able to create relationships with the Pacific Island countries without any inherent suspicion (Wyeth 2017). India could offer more and be more appealing to the potential followers which are the Pacific Island countries, as both parties have mutual interest and benefits that can be developed. India’s interest in expanding its global influence, and Pacific Island states’ dire need of wealthy benefactors (Wyeth 201).

**China’s growing presence in the South Pacific Region**

Australian governments have been consistently maintaining the idea that Australia it has to play the role of the leader and it is its responsibility to be the leader in the South Pacific Region so that peace, security, and economic stability can be achieved and realized. However, evidence shows that in the past decade, other countries such as India and China began to increase their political presence and influence over the South Pacific Region. The Pacific Island Countries have become a new diplomatic battleground between China and Western nations. China’s involvement within the South Pacific is driven by China’s competition with Taiwan to gain support from Pacific Island countries. It is also a way to limit Taiwan’s expansion, preventing Taiwan from gaining any more recognition as a sovereign state that is also a separate entity from China (Brown, 2012). During the 2000s, as many as 6 Pacific Island countries had already recognize Taiwan as a sovereign state. In 2006, an Australian Senate stated:

‘Diplomacy and aid in the Pacific region are intrinsically linked as the People’s Republic of China and Taiwan compete for recognition, often utilizing the blunt foreign policy tool of aid payments. Amongst some Pacific island nations, competition between the PRC and Taiwan for diplomatic recognition has, on occasion, appeared to take on the characteristics of a bidding war, conducted mainly through bilateral ‘aid’ payments.

Not only would China and Taiwan’s diplomatic affect Australia’s leadership in the region, it would also affect the United States’ in that it could be a barrier against America’s Indo-Pacific strategy (Jeong-Ho, 2018).

‘Shrinking Taiwan’s International space and expanding China’s presence in the region – such development would negatively affect US interest in the Indo-pacific’

The number of Chinese diplomats stationed in the South Pacific is more than any other countries. This includes Australia which has numerous diplomatic mission around the region. By 2006, there are more than 3000 Chinese enterprises which are private, and state owned that have been registered in the South Pacific region.
These enterprises invested in hotels, restaurants, fishing and logging operations, garment factories, and even energy production. These investments are welcomed by the governments of Fiji, Papua New Guinea, and the Solomon Islands which are the three biggest countries in the South Pacific (Brown, 2012).

China has been actively providing funds for the region through loans, construction projects, and infrastructure. China is considered to as the third largest aid donor to the South Pacific island countries. It is estimated by the Australian government that China’s annual budget for the Pacific is around US$ 200 million. This annual budget excludes scholarships, training, and technical assistance. Furthermore, China has spent US$1.3 billion on loans and gifts to the South Pacific Region since 2011 (Jeong-Ho 2018). Also, China’s loans to the Pacific Island countries have a low annual interest rate of 2-3% with a repayment period of 15-10 years (bergin 2018). Also, large construction projects have been the key of Chinese aid. However, China’s approach to aid is different from Australia in that Chinese aid is free from conditions. The receiving countries in turn have to conform to the idea of the One-China Policy. In addition, China has begun to spread its One Belt, One Road initiative ever since 2017. China encourages Pacific Island countries to join the initiative. Currently, India, Pakistan, Russia, New Zealand, and Poland have taken part in the OBOR initiative (Ma 2018). If China managed to convince the Pacific Island countries to join, then it will strengthen China’s presence in the South Pacific region.

Impact of India and China’s growing influence on Australia’s leadership

It is undeniable that Chinese influence in the South Pacific region has been growing stronger. This might potentially threaten Australia’s position as the leader of the South Pacific region. First it has been established before the motives and the driving forces behind each country’s approach to implementing leadership. The driving motivation behind Australia’s leadership is mostly geopolitical. Australia wanted to prevent failing states to become the base of terrorist groups and international criminals. Australia also wanted to establish an economically stable region. In addition, Australia believed that countries with opposing ideology and interest could establish and spread its influence through the failing states.

Meanwhile, China’s involvement in the region is getting stronger through various aid policies, loans, infrastructure, and construction projects. The main motivation behind China’s involvement in the Pacific Island is its competition with Taiwan to gain support in the United Nations and recognition as the one and only People’s Republic of China. Also, China wanted to limit the expansion of Taiwan in the region, preventing Taiwan to gain more recognition from the South Pacific region. India’s involvement however, seems to be more genuine. It is less patriarchal in that it is different than Australia’s approach which keeps referring to the South Pacific region as its ‘natural sphere of influence’ and ‘our patch’(Kaiku, 2018). In 2012, Australian Parliamentary Secretary for Pacific Island Affairs, Richard Marles, stated that Australia welcomes China’s presence in the Pacific. Also, in 2015, Australian Parliamentary Secretary to the Minister for Foreign Affairs, Senator Brett Mason, stated publicly that Australia sees the values of China’s presence in the south pacific (Hegarty, 2015). However, there have been many speculations and claims that China is planning to establish a permanent military base in Vanuatu.

China’s influence certainly threatens Australia’s leadership. First, China is gaining more support from the region. South Pacific leaders began to defend China’s position in the region. For instance, Samoan Prime Ministers remarks regarding Australia’s Federal Government’s criticism towards the Chinese foreign aid program in the South Pacific. Prime Minister Tuilaepa Sailele seems to be defending China in an interview with ABC, the Prime Minister stated:

‘The comments by the Development Minister have certainly surprised me, indeed, they are quite insulting to the leaders of Pacific Island Neighbours’ (Hill, 2018).

‘These kinds of comments can destroy the excellent relationships existing between Australia and the Pacific Island neighbours, particularly Samoa,”’

Statements made by the Samoan Prime Minister indeed shows strong support for the China. Strong claims such as, Australia’s criticism could destroy the relationship between the South Pacific and Australia is such a daring statement to make. other comments were made by the Prime Minister of Samoa. He stated that China provides better economic assistance than Australia could. In addition, he believed that Australia could not provide assistance as effective as China could and China’s aid has been crucial in mitigating the impacts of climate change (Hill, 2018). Given that China’s aid is mostly unconditional, it makes it easy for South Pacific leaders to deny any claims of strategic element that comes with China’s aid programs in the region (Hill, 2018). Earlier this year, articles emerged stating that Chinese Government approached Vanuatu regarding building a military base in Vanuatu. However, Vanuatu officials denied the claims saying that Vanuatu was against militarization of its territory. China’s Department of Foreign Affairs also denied the claim (Rollo, 2018). However, Australia tries to respond to China’s influence in the South Pacific islands by negotiating security treaty with Vanuatu. Australian Prime Minister Malcolm Turnbull announced the negotiations, he stated:

“We agreed to commence negotiations on a bilateral security treaty on common security
interests, such as humanitarian assistance and disaster response, maritime surveillance, and border security, police and defence cooperation,’ (South China Morning Post, 2018)

Australia’s main motivation behind its leadership in the region is to create political security so that the region cannot be influenced by other nations that can eventually lead to creating a permanent military base. Seeing the increase of China’s influence over the region and its growing relationship with countries such as Vanuatu, Samoa, it would only make sense for Australia to secure a security treaty. Hence, it would limit China’s influence over the region.

India’s presence in the South Pacific region however, has a different impact than China’s. Unlike China, India’s involvement in the South Pacific region does not pose any threats to Australia and its western allies such as the United States. India does not play the assertive role in the region. Australia does not seem to consider India as a potential threat to its leadership. In fact, Australia sees India as its potential ally to maintaining regional security in the Region. in the Defence White Paper for 2016 it is stated:

“India is an increasingly important economic and security partner for Australia and we share key interests in regional stability and order. India’s modernization of its armed forces and participation in the regional security architecture, particularly through the Indian Ocean Naval Symposium and Indian Ocean Rim Association, supports Australia and India’s shared interests in Indian Ocean security,” (Chaudhury, 2018).

Australia has numerous partners to maintain stability in the region including the United States, Japan, Indonesia, and Vietnam. Now that Australia has identified India as a key defence partner, threats posed by China could be countered. The Lowy Institute suggests that a middle power coalition should be created between Australia and India as the two prominent actors in the region. this middle power coalition could then cooperate to improve military capacity building, technology sharing, dialogues, and agenda setting for the South Pacific region (Rory, C Raja, 2014).

Conclusion

To conclude this paper, the writer would like to reiterate that Australia believes itself to be the leader of the South Pacific region. Australia considers the South Pacific region as its ‘natural sphere of influence’. Australia has the resources the capabilities and its close distance to the South Pacific region can be taken into account when looking at its perception towards the region. Australia’s motivation in taking charge of the region is to maintain regional security, and establishing an economically stable region. One of the first assertive move made by Australia was back in 2003 when Australia sent thousands of troops to help a failing state through RAMSI. Other aid programs have been provided by the Australian government to the region as well. However, Australia’s leadership in the South Pacific region is being challenged by the growing influence of China and India. China has taken interest in the South Pacific island. China’s main motivation to be involved in the region is to limit Taiwan movement in the region, preventing Taiwan from gaining anymore recognition from the region. China has been actively providing the region with aid, loans, building infrastructure, and construction projects. It also has numerous investments in the region. India has also taken interest in the region. In 2014, Prime Minister Modi strengthens its ties with Pacific Island countries by establishing The Forum for India-Pacific Islands Cooperation. The forum consists of 14 Pacific island countries. India also created a defense agreement in 2017 with Fiji. These actions by China and India have different implications in regard to Australia’s leadership in the region. China’s growing presence in the region is seen by the Australian government as a threat. There have been claims of China wanting to create a permanent military base in Vanuatu. Australia also considers China’s assertive behavior in the region to be a potential threat to Australia’s own interests and its western allies. However, India’s presence in the region is not considered by Australia as a threat. In fact, Australia identifies India as a key partner in countering China’s impacts on the region. experts also suggest that a middle power coalition should be established in order to mitigate great power rivalry in the region.

References

Mohan, C.R, (2003), Superpower in the South Pacific, Yale Global Online, Yale University, https://yaleglobal.yale.edu/content/superpower-south-pacific, (July 7, 2018)