

China's Growing Influence in the Pacific Islands and Its Implications on Climate Change

Dr. Kankana Debnath

Jawaharlal Nehru University

ABSTRACT: The geostrategic value of the Pacific region has started to gain momentum for the first time since the end of World War II. The region is consisting of Melanesia, Micronesia, Polynesia, and Australasia. The center of global geostrategic fulcrum has moved to the Asia-Pacific with China's growing strategic and economic interest in the region. Pacific Island nations that consider themselves on the front lines of climate change had hoped the U.S. and other regional powers like Australia would stay committed to the global deal to cut emissions and help populations confront the rising seas around them. But they didn't and as a result the island nations turned towards China, as Beijing has vowed to stay in the Paris Climate Agreement. The paper has dealt with the change in power play in the region on the perspective of climate change and has focused on the future of the regional equation with China.

KEYWORDS: climate change, paris agreement, pacific region, china

1. INTRODUCTION

The geostrategic value of the Pacific region has started to gain momentum for the first time since the end of World War II. The region is consisting of Melanesia, Micronesia, Polynesia, and Australasia. The center of global geostrategic fulcrum has moved to the Asia-Pacific with China's growing strategic and economic interest in the region. The rather neglected and relatively poor Pacific Island countries were once a ground for competition between the developed nations. But for the past few years end of the region is increasingly attracting the attention of the major growing powers like China and with that has spurred a resurgence of American interest in the region as well. By 2019 Beijing has ensured a strong biramous way of diplomatic and economic engagements (Grossman and Chase, 2019).

Figure 1



The figure has PRC (red), the ROC (blue), and the fourteen sovereign countries of Oceania. Those in pink recognizes the PRC; those in light blue recognizes the ROC. (as of September 2019). Source- https://en.wikipedia.org/wiki/Sino-Pacific_relations
These developments have led to the speculation that the region is becoming one of the potential grounds about a new great-power competition. The power rivalry tensed even more when the Trump administration formally began the yearlong process of pulling the United States out of the 2015 Paris Agreement. That was a big concern for the Pacific countries as they are in the frontline of the effects of CC. U.S's participation was a beacon of hope for these small island nations by staying committed to the global deal to cut emissions and help populations confront the rising seas around them. In spite of the fact that the US administration has

promised to work in accordance with the climate norms but the fact that they pulled out formally from the agreement has set a bad example of being 'irresponsible' towards the effort to curb emissions. With this the Pacific countries are turning for help to China because Beijing has vowed to stay in the Paris Climate Agreement. As such a strong and tense diplomatic reconfiguration in the region has opened up a new front in the battle for influence between China and the U.S. and its allies (Westerman, 2019).

Over the last two decades China has been steadily building its influence in the South Pacific which is considered as faster than expected. However at present China's footprint in the South Pacific has become quite massive against what it was a few years back which has prompted its traditional developed partners of raise alarm over a possible dominance in the region. Australia and New Zealand are two of the regional partners which have a paternalistic approach in the Pacific Islands, investing in health, education and governance through aid and other economic means. But these partnerships did not produce positive outcomes leading to slow economic growth. The reasons for these are mainly due to the geographic isolation of the islands, small populations and their vulnerability to CC and natural disasters along with Australia's poor approach towards the CC cause (Pryke, 2020).

This paper will focus of the growing influence of China in the Pacific region and its impact on CC issues.

2. THE RELATION BETWEEN PACIFIC ISLANDS AND CHINA - GEOPOLITICAL AND STRATEGIC PERSPECTIVE

The South Pacific is known for its scenic beaches, geographic and cultural diversity, and unique developmental challenges. However the region has less than 10 million populations. The region consists of over 15% of the world's surface. The region has typical problems and hindrances of economically backward nations. They are small in size and geographically remote which is why it makes the region difficult economic pathways. Apart from that the countries of the region have the typical characteristics of the small island developing states (SIDS) which are high population growth rates in the world and overcrowding, particularly in the atoll states, low economic output etc. South Pacific nations are also among the most exposed to natural disasters in the world, a threat being further exacerbated by climate change. All of these factors combine to make the Pacific one of the most fragile regions in the world. Also this region is the most aid dependent. Each countries of the Pacific have different developmental challenges but what unites them to be a whole unit is that they all value support from development partners based on respect and equivalence. The aid providing countries are mostly onto improvements on the governance but the Pacific nations are more into economic and climate related aid. Since the WW2, the Pacific has largely enjoyed a benign status on the geopolitical stage but this has all changed with China's growing presence in the region.

China's domestic economic and external trade grows continuously, its further reliance on the global public goods in terms of maritime security and navigation freedom becomes a major concern without doubts. The Chinese government has started to attach a great importance to the maritime security and stability of the Pacific (Sen, 2015). The region is considered a crucial part of the "greater periphery" of China's diplomatic strategy and of growing importance as a contributor to China's future development and peaceful rise. But it is also to be noted that the distance between the region and China is quite great and also the countries are not economically advanced which are the two most important hindrances for China. In spite of it PRC's official government statements and policy documents include the Pacific Islands as part of the 21st Century Maritime Silk Road Initiative which happens to be one of the most important component of BRI¹, unveiled by President Xi in 2013. Beijing's engagement in the region has been motivated largely by a desire to garner support in international fora and find sources of raw materials however according to some analysts, PRC's growing influence is directly related in filling the power vacuum left by the US towards the end of the Cold War which is evident by the fact that it has opened diplomatic missions in all eight of the Pacific Island countries with which it has diplomatic relations (Lum and Vaughan, 2017).

¹ "It is a transcontinental long-term policy and investment program which aims at infrastructure development and acceleration of the economic integration of countries along the route of the historic Silk Road. The Initiative was unveiled in 2013 by China's president Xi Jinping and until 2016, was known as OBOR (One Belt One Road). On March 28, 2015, the official outline for the Belt and Road Initiative was issued by the National Development and Reform Commission (NDRC), the Ministry of Foreign Affairs (MOFA) and the Ministry of Commerce (MOFCOM) of the People's Republic of China (PRC), with authorization of the State Council." - Link- <https://www.beltroad-initiative.com/belt-and-road/>

3. CHINA'S RISING INFLUENCE IN THE PACIFIC

It has to be noted that China always had a presence in the South Pacific. Ethnic Chinese have resided in the region for centuries, running some of the region's oldest trading houses. However since the year 2006 PRC's trade, aid, diplomatic, and commercial activity in the Pacific region has been growing steadfast. Two way trades have been established between several countries including Australia. It is to be noted that China is not a dominant donor in the region the way in which it delivers its aid large infrastructure projects funded by concessional loans (Pryke, 2020). China has established successful diplomatic relations with 8 Pacific countries. They are the Cook Islands, Federated States of Micronesia (FSM), Fiji, Niue, Papua New Guinea (PNG), Samoa, Tonga, and Vanuatu. China has held two main regional meetings, one in 2006 & the other is in 2013 in which it announced a wide range of aid measures to strengthen economic development and diplomatic engagement with the region. China also provides support to the premier regional organizations, particularly the Pacific Islands Forum Secretariat. In addition to its bilateral aid program and support for regional organizations, China also provides scholarships for Pacific islands students and significant human resources training for government officials (Brant, 2015). In the following sections a detailed account of Chinese involvement in the region will be discussed.

3.1 Sino-Pacific Bilateral Relations

In the year 2003, the PRC announced that it wishes to enhance its diplomatic ties with the Pacific Islands Forum, and increase the economic aid package it provided to the organization. Later in the year 2006, Chinese Premier Wen Jiabao announced that the PRC would increase its economic cooperation with PICs in the form of more economic aids, abolish tariffs for exports from the Pacific's least developed countries (LDCs), relieve those countries who are in debt, distribution of medicines for diseases and provide training for two thousand Pacific Islander government officials and technical staff. The visit concluded with the China-Pacific Island Countries Economic Development and Cooperation Forum (CPICEDCF)². Premier Jiabao visited the Pacific islands by becoming the first ever Chinese premier to do so (<https://enacademic.com/dic.nsf/enwiki/8823535>). Similarly, Ron Crocombe, Professor of Pacific Studies at the University of the South Pacific is of the opinion that Pacific ministers paid more visits to China than any other nations. In 2007, Xinhua, the official press agency of the PRC, stated that Pacific Islands Forum member countries had "spoken highly of the generous assistance China has provided to the region over the past many years and expressed the hope for a further enhanced cooperation with China. Along with maintaining its bilateral relationships with PICs PRC has also actively engaged with various regional multilateral institutions. Since 1989 PRC have been a dialogue partner of the Pacific Islands Forum (PIF). But in recent years Beijing has started to engage more with the organization by sending high-level officials to attend its meetings. In 2000, PRC also set up the China-PIF Cooperation Fund³ and sponsored establishment of a PIF trade office in Beijing as well in the year 2002. Apart from building strong relations with the main regional organizations PRC has built considerable rapport with the sub-regional organizations as well. Some of them are the Melanesia Spearhead Group (MSG) funded by China with its headquarters in Vanuatu (Zhang, 2015). After that on November 22, 2014, Chinese President Xi Jinping paid a state visit to Fiji. A summit was conducted where he met the leaders of eight Pacific countries marking the strengthening of bilateral ties with them. The summit concluded with the unanimous decision to level up the relationship to "strategic partnership." This visit marked PRC's growing presence in the Pacific Islands region, and its far-reaching consequences for the evolving regional order. Moreover the historic

² It is the highest form of dialogue between China-Pacific Islands Countries. It was signed in the year 2006 which is an important platform for trade and economic co-operation. Two sessions has been held in the year successfully consecutively in 2006 and 2013. The third session was held in 2019. The forum is to vigorously promote the pragmatic cooperation between PRC and the Pacific countries in areas such as trade and investment, infrastructure, disaster prevention and relief, climate change and people to people exchange. See more- Vula, Maraia (2019), "China To Work Together With Pacific Islands Countries, Implement Consensus Leadership", Report, Fiji Sun, Link- <https://fijisun.com.fj/2019/10/21/china-to-work-together-with-pacific-islands-countries-implement-consensus-leadership/>

³ "The China-PIF Cooperative Fund was established in 2000 to support trade, investment, tourism and personal exchange between China and Forum countries. One of the key initiatives under the fund is PTI China which works closely with Forum Country Embassies in Beijing to develop and strengthen networks between Pacific businesses and Chinese markets." - Pacific Islands Forum, Link- <https://www.forumsec.org/2017/07/10/peoples-republic-of-china-continue-to-support-the-pacific-islands-forum-2/>

signing of the Regional Comprehensive Economic Partnership (RCEP) Agreement⁴ among the members of the Association of Southeast Asian Nations (ASEAN), Australia, the People's Republic of China (PRC), Japan, the Republic of Korea (ROK), and New Zealand on 15th November, 2020 will exert a considerable influence on PRC's influence over the Pacific countries.

PRC's engagement with the Pacific region has also been adjusted to fit with the local Pacific in context in many other ways. Climate change aid is one of the major sector in which PRC is participating and increasing aid. The PICS are the smallest GHG emitters (global 0.03%) but they are the ones to face the negative effects of CC first and severely than any other parts of the world. The countries of the Pacific are financially poor and also suffer from technical constraints which make them weakly capable of dealing with CC in terms of both adaptation and mitigation. PRC on the other hand is a major emitter of GHGs. With the current global effort to curb the growing concentration of GHGs PRC has increasing its support on CC issues to support the PICs and this was conveyed in the 2nd China–Pacific Islands Countries Economic Development and Cooperation Forum along with the China International Green Innovation Products and Technology Show in November 2013 (Zhang and Lawson, 2017). Apart from this PRC provided further opportunities to the PICS from September 2015 when President Xi pledged to establish an RMB 20 billion (US\$3 billion) South–South Climate Cooperation Fund along with setting up 10 low-carbon industrial parks and conducted 100 CC mitigation and adaptation programmes in other developing countries as well as providing 1,000 training opportunities on CC (Milhiet, 2017).

For the past few years China has significantly increased its economic engagement with PIC. An examination of trade, investment, aid, and tourism data shows that China is becoming one of the dominant economic players in the region, well ahead of the United States. Given the rapid growth in Chinese activity in all four categories of economic engagement over the past decade, this trend is likely to continue in the years ahead, bringing economic and security implications for the United States and its allies and partners in the region. China is the largest trading partner of PIF member countries (excluding Australia and New Zealand). In 2017, China's total goods trade with these countries reached \$8.2 billion. As with trade, China's cumulative foreign direct investment (FDI) in Pacific Island countries has grown rapidly since President Xi's 2014 visit to the region, reaching \$2.8 billion in 2016, up 173 percent from 2014. Nearly 70 percent of that FDI was concentrated in Papua New Guinea. Despite its rapid growth, Chinese FDI in Pacific Island countries was just 0.21 percent of its global outward FDI in 2016. The China Global Investment Tracker, published by the American Enterprise Institute and the Heritage Foundation, shows that since 2005, Chinese firms have invested in two mining projects in Papua New Guinea worth \$970 million. Aside from these projects Chinese FDI throughout the region has been mostly in the transport, real estate, and energy sectors. In November 2017, the Papua New Guinea government gave nod to \$4.4 billion worth of projects to be carried out by China Railway Group for roads, agricultural industrial parks, and a water supply upgrade. In terms of real estate investment, Chinese firm Guangdong Silkroad Ark Investment is building a \$500 million resort on the Fijian coast one of the largest such projects ever carried out in Fiji due for completion by the end of 2018 (Miek, Ker and Chan, 2018). In the year 2018 the trade between the Pacific Islands and China was reported 57.009\$⁵. The following figure will help understand the trade figures between China and Pacific Islands.

Table 1. Sino-Pacific Trade (as of 2018)

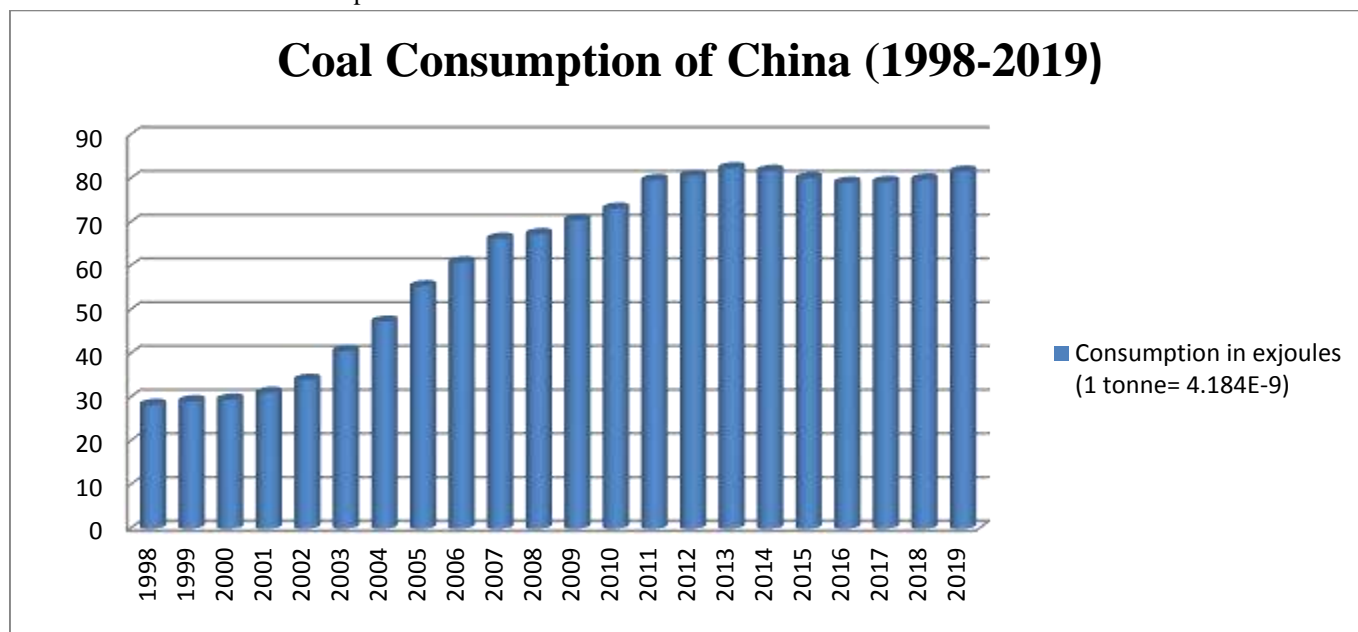
Countries	Import (US\$ thousand)	Export (US\$ thousand)
Australia	47, 547,551.19	105, 083431.45
Cook Islands	5091.37	2502.1
Fiji	456332.42	25309.65
French Polynesia	77735.34	7036.47
Guam	–	–

⁴ Yasuyuki, Sawada (2020), "RCEP: What's in it for Asia and the Pacific?", Op-Ed / Opinion, China Daily, <http://www.chinadaily.com.cn/a/202012/18/WS5fdbecb9a31024ad0ba9c821.html>

⁵ <https://www.google.com/amp/s/www.ceicdata.com/en/china/trade-annual/cn-export-oceanian-and-pacific-island/amp>

4. SINO-PACIFIC EQUATION ON CLIMATE CHANGE

PRC has pledged that it has made the goal to become a carbon neutral country by 2060 by adopting new measures to fight CC. PRC has stressed on three factors to control global warming in the Climate Ambition Summit, 2020⁶ which are solidarity, cooperation and confidence. "China will lower its carbon dioxide emissions per unit of GDP by over 65 percent from the 2005 level, increase the share of non-fossil fuels in primary energy consumption to around 25 percent, increase the forest stock volume by 6 billion cubic meters from the 2005 level, and bring its total installed capacity of wind and solar power to over 1.2 billion kilowatts," said Chinese President Xi Jinping, announcing some further commitments for 2030 at the summit. (CGTN News Report, 2020). The below figure shows the amount of coal consumption in China from 1998 to 2019.



Source- Published by N. Sönnichsen (Jul 1, 2020)

Link- <https://www.statista.com/statistics/265491/chinese-coal-consumption-in-oil-equivalent/>

The Pacific's island nations are categorized among the SIDS (small islands developing nations) by the UN. This is because they are the most backward nations among the world and also geographically challenged as well. Due to this they are among the worst affected by global warming, threatened by rising sea-level, extreme cyclones and other natural disasters. Since they are on the frontline of the CC it is a top priority in their national plans and not only that they appreciate nations which puts CC important among their agendas. The PIF's virtual summit⁷ was a chance for members to provide updates on their progress and signal the

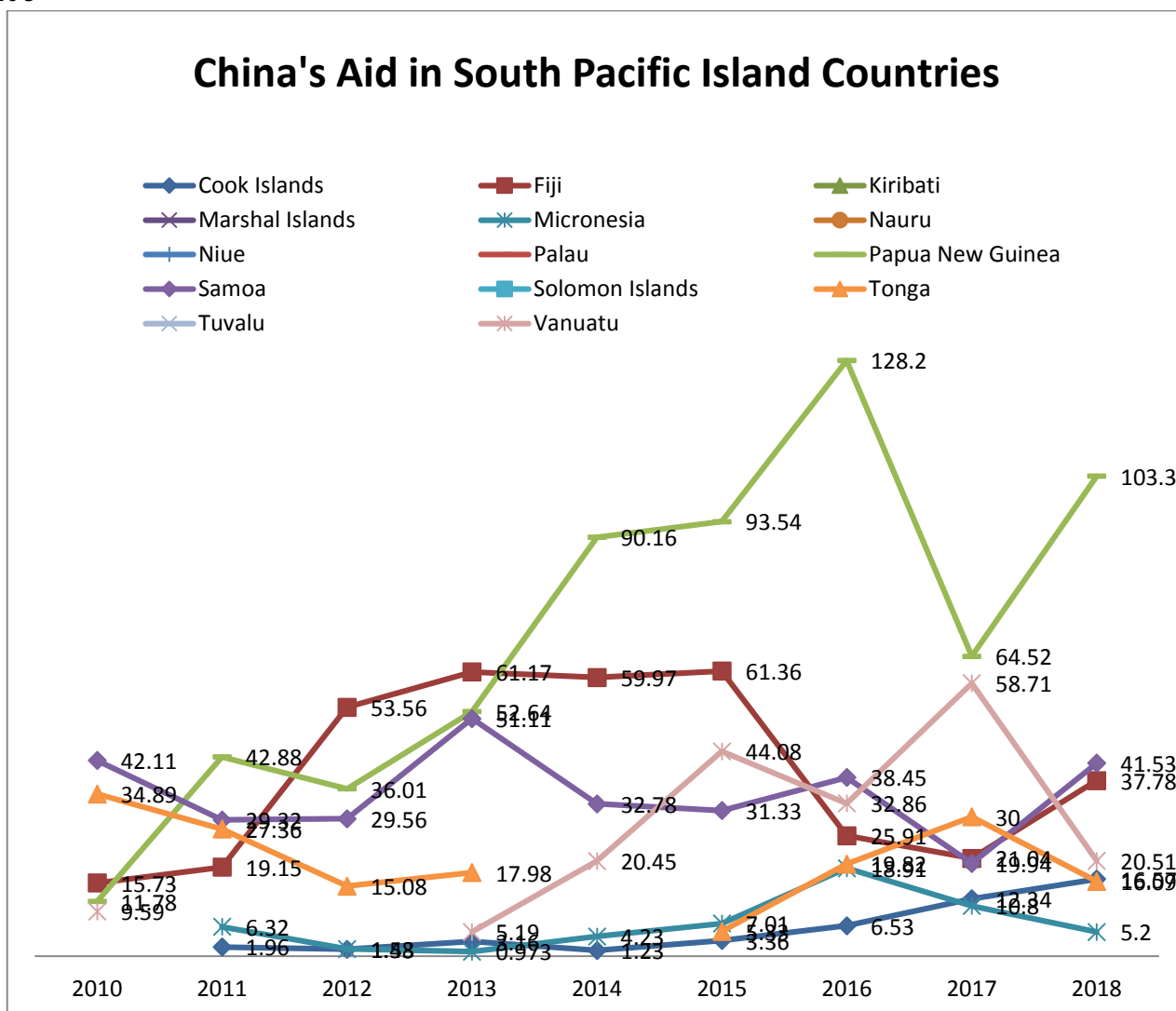
⁶ "The Summit was a major step on the road to the next UN Climate Change Conference of the Parties (COP26). The United Nations (UN), United Kingdom (UK) and France are proud to have co-hosted the Climate Ambition Summit 2020, in partnership with Chile and Italy on 12 December, exactly five years since the adoption of the Paris Agreement. The Summit provided leaders with a global platform to showcase commitments to tackle climate change which were under the three pillars of the Paris Agreement: mitigation, adaptation and finance commitments. There was no space for general statements." - Climate Ambition Summit 2020, 12 December 2020, Link- <https://www.unep.org/news-and-stories/video/climate-ambition-summit-2020>

⁷ Held in December 15, 2020, Pacific island leaders hold a virtual summit to demand urgent worldwide action on climate change ahead of UN-brokered talks on the issue. The aim is to put pressure on world leaders who are holding a virtual meeting to discuss "high-ambition" goals on climate change. The PIF's virtual summit was a chance for members to provide updates on their progress and signal the Pacific's desire for "momentum and ambitious action" on climate change. Read more at- "Pacific Islands Forum to hold virtual climate summit ". Click to read: <https://www.thejakartapost.com/news/2020/12/04/pacific-islands-forum-to-hold-virtual-climate-summit-.html>

Pacific's desire for "momentum and ambitious action" on climate change. There is no doubt that the collective failure to act as a community will impact not just the present generations, but future generations as well. Renato Redentor Constantino, executive director of the Institute for Climate and Sustainable Cities in Manila, said that the PIF meeting could be uncomfortable for Australia and New Zealand. He was also of the opinion that the climate response from the two wealthiest PIF members had been "hollow and ritualistic". Australia's ongoing support for coal and said New Zealand which this week declared a "climate emergency" continued to grow its greenhouse gas emissions are classic examples of shirking from climate responsibility that are kind of fanning flames that are consuming the Pacific's rapidly dwindling lifelines (msnews.com).

Moreover when it comes to aid distribution, according to the Lowy Institute the China's aid program, tracking more than 200 projects worth \$US1.8 billion since 2006. China is now on track to overtake Australia as the largest aid donor to Samoa and Tonga, having already claimed the status of lead donor to Fiji. Crucially, China's aid spending often comes with "no strings attached", in contrast to the strict governance criteria imposed by Australia which is often a source of irritation to Pacific governments, who can see the demands as patronizing. China also funds much-needed infrastructure like roads, bridges, schools and sporting facilities, where Australian aid programs tend to focus on supporting broader political and economic reforms. The below graph will help understand the aid situation clearly.

Figure 3



Source- <https://pacificaidmap.lowyinstitute.org/>

5. CONCLUSION

Despite its own status as a major polluter PRC has emphasized on the importance of cooperation to combat CC and its effects. Beijing probably sees an opportunity to exploit the Trump administration's withdrawal from the Paris Agreement—a move that diminished Washington's ability to compete with Beijing on a critical issue that threatens the survival of some Pacific Island states. Going forward, it could be vital for the United States and its allies and partners to not only coordinate their respective strategies appropriately, but also to better understand and address the interests of Pacific Island nations themselves. Otherwise, Pacific Island states could view heightened interest simply to counter China as disingenuous and ephemeral (Grossman and Chase, 2019). It could argue that this is a good thing for the Pacific, a region facing significant development challenges because China gives them options, and in turn greater influence over, and attention from, traditional development partners who have often treated them with a degree of benign neglect. China insists that it has no specific strategic interests in the Pacific, and that this is just a natural extension of China's growing engagement in all developing countries. Moreover as soon as the then U.S. President Donald Trump threatened to withdraw the United States from the Paris Agreement, a narrative surfaced among the international community: China was to become the “leader” in the global fight against climate change. But how far is this narrative is possible in reality is however subjected to debate. Much of China's polluting production has roots abroad, as its cheap labor, land, and lax regulations have attracted bounteous foreign investment. But plenty of China's pollution is homegrown, coughed out by the coal-fired power plants that fuel the nation's economic engine, the industries and infrastructure projects that keep the masses working. Since 2007, China has surpassed the United States as the leading greenhouse gas emitter, responsible for 27 percent of greenhouse gas emissions worldwide. And the late-coming neoliberal behemoth is currently offshoring emissions abroad through its controversial Belt and Road Initiative. The Pacific region are among the world's most vulnerable which are already being consumed by roaring hurricanes, oppressive heat waves, burning forests, and creeping sea levels. These small nations are holding onto the possibility of redemption. It is this hope for possibility that China is being able to exert its influence onto the region. This is what the Pacific countries are looking for when talking about Chinese leadership following the U.S. withdrawal from Paris. It is a plea for action rather than a heroic accolade (Ding, 2019).

Lastly what can be concluded of the scenario when it comes to analyzing China's role in the South Pacific countries in the perspective of CC is that the island nations are concerned about fighting the severe effects of CC. They are not concerned about what power position China is holding or for that matter the tussle between China and Australia and New Zealand. The reason China is being able to extend its influence there is because of the fact that China, at the least is still a signatory to the Paris Agreement and is continuously pushing towards various carbon-cutting schemes. It is a fact that China is the highest emitter of carbon surpassing United States by 27 percent but what needed here is a leadership that confers not status, but responsibility that is fulfilled not through symbolic rhetoric, but substantive action. However, given China's constantly growing coal consumption it is a matter of heavy debate as to how much successful China will be to perform the role of a leader if that position it finally acquires in future.

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