

Australia's Pacific policy: COVID-19, China and community



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The South Pacific and Timor Leste are vital to Australia's geostrategic interests. These island nation-states face five strategic challenges (in descending priority): human security and state security (including weak governments); climate change; natural disasters; natural resource management; and China. These challenges cannot be solved without Australia and New Zealand. As co-equals, Australia and its neighbours must build on their already strong bonds to develop a stronger, more capable Pacific community.

Key words: Australia; South Pacific island states; China; Pacific Community; foreign policy; Australia's 'Pacific step-up'; foreign aid.

Australia faces core questions about its interests, influence and values in the South Pacific. The COVID-19 pandemic and the aftermath of the April 2020 cyclone that hit Fiji, Tonga, Vanuatu and the Solomon Islands constitute the immediate crisis. China is a long-term test of power and governance in the islands. The issues of human and state security run through all dimensions.

Australia's ambitious policy response is its 'Pacific step-up'. The ultimate aim of the step-up, economic and security 'integration' with the islands, is so visionary it is almost out of sight, and it is seldom mentioned. Six reviews and inquiries are afoot as Australia seeks to take 'our partnerships with the Pacific to a new level'². As ever, the islands know they need us, but it does not mean they have to like it, or us – or like their dependence.

Geostrategy in the South Pacific

Australia wants the power and the central place in the South Pacific. The need goes in both directions. We matter and what we do matters greatly. Australia's security guarantee to the region does not buy much love, because it is a commitment to our interests as well as theirs.

Our deepest, oldest instinct in the South Pacific is strategic denial, striving to exclude other major powers. This instinct, now about 150 years old, was one driver for the six states to federate (with a specific mention in the

Commonwealth constitution of Australia's special role in the South Pacific).

Australia can never achieve dominance in the South Pacific, so the denial instinct is always beset by a faint, constant ache. The stage is too big; other powers always come to play. Australia is ever the frustrated, edgy hegemon. We face the familiar problem of Australian leadership – generating enough island followership. Australia's influence in the islands is at times limited, and may even be declining (Wallis 2017a, 2017b; Hayward-Jones 2019).

The step-up is a positive policy responding to negative trends. Defence doctrine and foreign policy channel the old instinct with two primary propositions:

- Australia has vital interests in the South Pacific. As the 2017 foreign policy white paper puts it: "*The stability and economic progress of Papua New Guinea, other Pacific island countries and Timor-Leste is of fundamental importance to Australia*" (Foreign Affairs 2017: 99).
- Australia wants to be the principal security and economic partner of the South Pacific. It is an enduring statement of strategy, a geographic commandment, that no external power should have significant political influence or establish a military base in Papua New Guinea and the islands³.

The Australia-New Zealand-South Pacific family relationship

Making the policy personal, Prime Minister Scott Morrison's embrace of the 'Pacific family' is inspired imagery – I have called it diplomatic genius – to view the

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²The six Canberra inquiries are:

- a Defence Department review of defence strategy and capabilities;
- a Department of Foreign Affairs and Trade inquiry on a 'new international development policy' to support 'security, stability, prosperity and resilience in the Indo-Pacific'; and
- four 'Pacific step-up' inquiries by the Joint Parliamentary Committee on Foreign Affairs, Defence and Trade –
 - o Australia's defence relationships with Pacific island nations,
 - o activating greater trade and investment with Pacific islands,
 - o human rights of women and girls in the Pacific, and
 - o strengthening Australia's relationships with countries in the Pacific.

³The enduring strategic interest in preventing external powers from establishing a political or military role in the South Pacific runs through all seven of Australia's Defence white papers since 1976 [<https://www.defence.gov.au/WhitePaper/Links.asp>]. Previously, that commandment ran through all Australia's strategic guidance papers from 1946 (Fruhling 2009).

Pacific family as an Australian promise, a pledge to do much more for Pacific people. A sceptical rendering of 'family' paints it as rebadged Australian paternalism/colonialism, based on the denial habit of thinking and China's arrival. It was not coincidental that Scott Morrison's 'family' speech, proclaiming a new chapter for Australia in the Pacific, was delivered at a military barracks in Queensland.

Geopolitics, however, isn't the only element in the equation. Morrison's vision is notable for its warmth and what it says about Australia as well as the islands:

*"We are more than partners by choice. We are connected as members of a Pacific family. It's why the first leaders I hosted in Australia as prime minister have been from Solomon Islands, Fiji and Papua New Guinea. It's time to open, I believe, a new chapter in relations with our Pacific family. One based on respect, equality and openness. A relationship for its own sake, because it's right. Because it's who we are."*⁴

Island perceptions of Australia and how it uses its power will do much to determine the success and reach of the step-up, and of Australia's ambitious offer of economic and security integration. A striking element of the 2017 foreign policy white paper (Foreign Affairs 2017) was its embrace of 'integration' as a key objective:

"The Government is delivering a step-change in our engagement with Pacific island countries. This new approach recognises that more ambitious engagement by Australia, including helping to integrate Pacific countries into the Australian and New Zealand economies and our security institutions, is essential to the long-term stability and economic prospects of the Pacific. Our partnership with New Zealand will be central to advancing this agenda."

If step-up is the process and policy integration is the aim, we are happy to talk about all the steps, just not the aim. Step-up is policy in action. Yet we cannot name where the steps are leading. Island sensitivities explain much of the integration silence. Equally, Australia is unsure about how far integration should go and how close the ultimate embrace should be – the policy grows as it goes along. The islands must decide what they need; Australia must see how much it can give. The South Pacific embrace is hesitant. Integration will be soft and slow, evolving over decades. Several factors combine to make integration a tough topic:

- climate change – as Hayward-Jones (2019) argues, "Australia is the principal aid donor and security partner in the region of the world most vulnerable to climate change, but has not exercised leadership on climate change in its diplomatic, aid or security planning";
- the islands' pride in their own sovereignty and identity;
- the old 'neo' fears—colonialist/imperialist – about Australian dominance; and

- lack of confidence in Australia, including a view that Canberra is just panicking about China.

As the chief of the Australian Defence Force has noted, different South Pacific perceptions "could impact our ability to influence their choices for support in the region" (Clark 2019). Ultimately, though, big problems demand big responses. And integrating Pacific countries into the Australian and New Zealand economies and our security institutions is essential to the long-term stability and economic prospects of the Pacific:

- hold the islands close to help hold them upright;
- rank the threats, risks and challenges the South Pacific faces; and then
- to balance the gloom, see the many qualities and strengths of islanders.

The Challenges Ahead

Ranking the challenges facing the Pacific islands must look beyond headlines to define what really matters. Using headlines, Canberra puts the China challenge near the top. Certainly, the South Pacific is passionate about climate change. Both are in the top five, but neither is on top, in my ordering of the South Pacific challenges:

1. human security and state security;
2. climate change;
3. natural disasters;
4. natural resources; and
5. China

Let us examine them in reverse order.

5. China

Canberra judges that China wants to become the dominant strategic power in the islands, with military reach and bases to match. This went from a matter of debate to the Canberra consensus about three years ago. As I put it in 2018: "Australia today sees its strategic interests in the South Pacific directly challenged by China" (Dobell 2018).

Not since World War II and the Cold War have the islands been so strategically relevant – and that is a view from the Pacific Islands Forum (Dobell 2019b). The region is waking to the China challenge. It is manageable. It has to be, because China offers plenty of upside, as the Australian economy attests.

Canberra worries about China's ability to buy island elites. As the switch of diplomatic recognition from Taiwan to China by Solomon Islands shows, Beijing can buy a government, but it is harder to buy a people and a country (Cavanough 2019). China has economic reach but little soft power (Herr 2019). Indeed, Australia needs to have confidence in our shared history with the South Pacific – the breadth, the depth and the intricate, strong linkages. The islands know how to bargain; they have been dealing with the arrival of big powers for 250 years. China is being judged on its performance and it is not winning everything.

Kevin Rudd (2020) is right to note, "If we want to be the partner of choice, we need to also acknowledge we are not the only choice of partner". China will have a big

⁴Scott Morrison, *Australia and the Pacific: a new chapter*. Address by the Prime Minister, Lavarack Barracks, Townsville, 8 November 2018.

role. Our aim must be to work with the islands and key institutions to shape that role.

Canberra has dealt itself into China's island game by the creation of the A\$2 billion Australian Infrastructure Financing Facility for the Pacific, to be managed by the Department of Foreign Affairs and Trade. The high priority list includes telecommunications, energy, transport, water and other essential infrastructure. There is lots of room for China to play, though, with the region needing US\$3.1 billion in investment per year to 2030.

Playing to our strengths and the values of Pacific people can write the script for playing with, not against, China. Important institutions can do much to shape that script: the Pacific Islands Forum, the Pacific Community, the Asian Development Bank and the World Bank. As the natural regional partner always here to help, Australia's tactic must be more, "Yes, but..." than, "No way!"

A winning equation reads: China does lots of infrastructure, plus Australia does lots of infrastructure, plus Australia serves Pacific people and the values Australia shares with islanders. Take heart from Professor Richard Herr's conclusion that China's influence is more about economic clout than soft power: "*The admiration that Pacific Island states feel for China is genuine. However, on balance, China's current regional soft power lacks breadth and depth, although it's still evolving* (Herr 2019).

In responding to China in the region, Australia needs to know the dragon's limits as well as its capabilities. The way China talks to the islands is clearly different to Australia's language. Canberra's emphasis on good governance, economic reform and anti-corruption policies has no counterpart when Beijing comes calling. Pacific politicians contrast the Chinese approach with the demands imposed by Australia – but the values Australia argues for resonate on the streets and in the villages. The values dimension is an important part of putting Pacific people at the centre of our policy. The South Pacific positives lean towards Australia, not China.

4. Natural resources

The islands' natural resources are a set of assets with risks attached. The islands strive to protect and use their fishery resources – tuna rates as a relative success story; while the tropical forests are a tragedy. The dwindling, ravaged forests of Melanesia show what happens when extraction becomes exploitation, flavoured by corruption. Logging has been unsustainable and often illegal. Papua New Guinea and the Solomon Islands are the biggest sources of tropical logs for China. *Global Witness* says log exports from the Solomons are more than 19 times a conservative estimate of the annual sustainable harvest (Anon. 2018).

Individual nations have done poorly on logging, compared to the collective action of the Pacific Islands Forum Fisheries Agency, which works to manage, monitor and control the distant-water fleets from China, Japan, South Korea and Taiwan.

Logging and fisheries offer lessons and cautions as the islands consider future prospects for exploiting seabed resources (Filer *et al.* 2020).

3. Natural disasters

Pacific islanders are among the most vulnerable in the world to natural disasters. The 2019 World Risk Index lists four Pacific island countries among the top 10 most at-risk countries, with Vanuatu ranked first, Tonga third, the Solomon Islands fourth, and Papua New Guinea sixth. In the top 20 of the index, Fiji is at 12, Timor-Leste is 15, and Kiribati is 19 (Day *et al.* 2019: 56).

In addition to the force of nature, the index assesses government and society and the ability to respond to an emergency: "*The more fragile the infrastructure network, the greater the extent of extreme poverty and inequality, and the worse the access to the public health system, the more susceptible a society is to natural events*".

2. Climate change

Climate change is a huge threat, but a powerful unifier – something island leaders and their people can all agree on. Australia's 2016 Defence white paper described the threat and what it will mean for human and state security:

"Climate change will see higher temperatures, increased sea-level rise and will increase the frequency and intensity of extreme weather events. These effects will exacerbate the challenges of population growth and environmental degradation, and will contribute to food shortages and undermine economic development." (Defence 2016: 55-56)

The South Pacific has nominated climate change as its top security threat. In the words of the Pacific Islands Forum's 2018 Boe declaration:

"We reaffirm that climate change remains the single greatest threat to the livelihoods, security and well-being of the peoples of the Pacific and our commitment to progress the implementation of the Paris Agreement." (Pacific Islands Forum 2018).

The Forum's 2019 declaration was even louder on the threat to the survival of the Blue Pacific:

"Right now, climate change and disasters are impacting all our countries. Our seas are rising, oceans are warming, and extreme events such as cyclones and typhoons, flooding, drought and king tides are frequently more intense, inflicting damage and destruction to our communities and ecosystems and putting the health of our peoples at risk." (Pacific Islands Forum 2019)

Accepting the force of those statements, how is this only at number two? The answer is to see the hierarchy in terms of power and responsibility. Island leaders can unite and campaign on climate change because they are not responsible for global warming. Talking about the danger unites nations and puts leaders on the diplomatic offensive. Yet it is a way for leaders not to talk about their core responsibility to deal with the greatest challenge facing the islands – the needs of their own people.

The ordering offered by the forum's Boe declaration has a big 'not responsible' flavour. The first two points of the declaration are about climate change and the dynamic geopolitics of 'an increasingly crowded and complex region'.

The third point in the Boe document is where the leaders step forward to claim ‘stewardship’ of the Blue Pacific. Not until point 7 of the declaration does an expanded concept of security arrive. Even then, human security is discussed in terms of outside ‘humanitarian assistance, to protect the rights, health and prosperity of Pacific people’. It is an indirect way to discuss the biggest threat, which is also the major responsibility.

1. Human security and state security

The challenges the islands face – social, health, economic and political – merge new concepts of human security with traditional ideas of state security.

South Pacific governments confront their ceaseless capability conundrum: the limited ability of the state and national economy to deliver for their people. The islands are strong societies with weak governments. The societies stretch and strain while the governments get no stronger. The traditional stabilisers of village, clan and religion are shaken. The challenges of modernisation come from outside and inside.

South Pacific cities are as challenged by sewage as they are by sea level. The ocean tide coming in matches the tide of those leaving the villages for Pacific towns and cities. The islands grapple with urbanisation.

Health problems abound. Colin Tukuitonga, a doctor from Nuie who was head of the Pacific Community from 2014 until recently, talks of ‘dual crises’ – the climate crisis is matched by the health crisis:

“Noncommunicable diseases such as diabetes and heart disease cause three out of four deaths in the Pacific. These conditions are fuelled by a pipeline of risk factors such as high levels of smoking, unhealthy diets and reduced levels of physical activity. These conditions cause considerable personal costs such as blindness and kidney and heart failure.” (Tukuitonga 2019)

In the South Pacific country most important to Australia, Papua New Guinea (PNG), the threat of COVID-19 adds to the sense of PNG’s ‘economic, fiscal and social crisis’ (Wall 2020).

The islands, especially Melanesia, have the youth bulge that brings revolutions. Strong population growth and weak income growth is a dangerous formula for human security, social harmony and state stability.

The Pacific catch-22 is the ‘paradox of relatively high per capita levels of aid and low rates of economic growth’ – the Pacific limits to growth (Pollard 2018). In the Pacific, real average income per capita has increased by less than 10 per cent since 1990 compared with about 150 per cent in Asia’s emerging market economies (Foreign Affairs 2018: 2).

Australia worries quietly about a breakdown of state legitimacy and capacity among its neighbours.

Thinking about likely flashpoints in the manner of the Australian military, Blaxland (2020) offers a crisis scorecard for the coming decade, with 10 being the highest probability. Bougainville’s quest for independence from PNG is an 8. The prospect of a breakdown in law and order in the island arc, as happened in Timor-Leste

and Tonga in 2006, and repeatedly in the Solomon Islands in the last two decades, is also an 8.

The COVID-19 pandemic shapes as a diabolical stress-test for health systems and the stability of island states. The Vanuatu-based journalist Dan McGarry says the ‘chronically fragile economies’ of the islands face massive disruption:

“The nations of the Pacific not only have to fight an unprecedented public health threat; the majority have to retool their entire economies. It will be a difficult transition, fraught with risks. If the Pacific island countries are starved of the resources they need, they may collapse.” (McGarry 2020).

To shut out the pandemic, the islands had to shut out the world. Their initial success gives time to plan, but it is not a long-term solution. The traditional capability challenges now come with a COVID coda.

A fact that lives in plain view, as far out as anyone can see, South Pacific states will be dependent on aid. Aid policy is economic policy for the South Pacific: relationships with Australia, New Zealand, Japan, China, the United States and the European Union pay for government and run services.

Conclusion

What is to be done? The answer is to build on the strong community within the islands and the strong bonds of regional community.

The Australian talk of family is a folksy way of understanding the needs for a stronger, more capable Pacific community. The non-folksy expression is Australia’s integration policy. And integration is the effort to build from community to a big ‘C’ Pacific Community (Prasad 2020).

Today’s community has been made by the islands, **with** Australia and New Zealand. And the future Community will be created by the islands, again with us. The regional future is not in the gift of Canberra and Wellington, however much they must help shape it. The Pacific positives point the way.

The peoples of the South Pacific, inhabiting an environment which can be as harsh as it is beautiful, constitute true nations. The island nations have clear identities of culture, language, ethnicity and history offering much to admire and learn from. These strong societies and their weak states made the smoothest transition from colony to independence of any region. South Pacific states have been able to transplant and grow Western democratic forms – a better collective record than anywhere else in the developing world. Fiji proves the power of the Pacific’s democratic norm by clawing its way back to elections from its military coups.

Pacific democracy is beset by ‘big man’ politics and corruption, but democracy reigns across the region, often rough, yet admirably robust. The next challenge is for Pacific women to get their share of political power. The positives are central to Pacific life (and must hearten policy-makers in Canberra and Wellington).

The islands are Christian with relatively conservative societies that are English-speaking, pro-Western and

pro-capitalist. Apart from English as the *lingua franca*, the French territories of Polynesia, New Caledonia and the Loyalty Islands also tick those boxes.

Australia embraces the place the rest of the world wants to visit on holiday. We get to create community in paradise, in vibrant societies with wonderful cultures. South Pacific nations, so different from Australia, actually speak our language: not just English, but in their understandings of religion and politics. We share a lot of history, and most of it is good. Just like a family, really. We differ, yet agree on the fundamentals.

For Australia, geography meets community in the South Pacific, so our interests align with our values. Canberra must accentuate those Pacific positives, to work with what is natural in the islands. The South Pacific asks us to help build on our own values. Australia must put Pacific people at the centre of our policy, embracing our role in realising to the full the future of Pacific community.

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