The United States is Losing the Pacific

BY BEN BOHANE

You can take almost any Pacific island nation and find much the same dynamic going on - traditional powers, including the United States, Australia, New Zealand and France, are receding in influence among their island neighbors and territories, as new powers emerge to woo - and destabilize - the region.

China has been on the front foot providing infrastructure projects large and small, financial technology options such as Alipay (PayPal and VISA don’t recognize Pacific island nations), and an increasing diplomatic and military presence. It is building wharves, roads, airports, government buildings, convention centers, sports stadiums, and more at a time when the United States is building nothing, offering nothing and, until recently, even failing to pay its due Compact funds to Micronesian allies. It is little wonder island nations think the United States is missing in action while China is expanding its reach.

Vanuatu offers a prime example: China recently built the largest wharf in the South Pacific on Santo island, a large sports stadium and convention center, the Prime Ministers’ new offices, roads on numerous islands, and plans to extend the international airfields in Port Vila and Santo so direct flights from China can begin. Tourism and housing projects are gathering pace, including plans for “Rainbow City”: a Chinese-only city with 800 “Tuscan style villas”, a casino, etc., planned on the outskirts of the capital Port Vila. It could eventually be home to more than 10,000 Chinese in a city of just 50,000. And all this comes before the first major wave of investors begins arriving later this year once the weekly flights start. China has also just opened its new embassy in Vanuatu, housing several hundred workers and said to be their largest embassy in the South Pacific.

By comparison, the United States provides no funds to Vanuatu via USAID, no infrastructure assistance and does not have a consulate or embassy - the US Ambassador to Vanuatu is based in Papua New Guinea (PNG) with responsibility for Vanuatu and the Solomon Islands as well.

From a Pacific Islands perspective the United States is no longer visible, apart from an annual “Pacific Partnership” visit by the US navy. Washington rarely sends high-level diplomats to visit Pacific nations, and does not attend the most important regional gatherings, such as the annual meeting of island leaders known as the Pacific Island Forum (PIF). Where China is cultivating soft power by backing sporting events and the arts, the United States offers comparatively little. Every week it seems Beijing is hosting delegations and leaders from the Pacific to deepen relations and discuss its Belt and Road Initiative (BRI) with offers of assistance.

The problem for China in the years ahead is that its growing investment and peopling of the islands is already creating tensions. It won’t take much for Chinese migration to swamp small island communities. Years ago, frustrated Tongans burnt down their central business district in...
anger at Chinese stores controlling local business. Chinatown in the Solomons capital Honiara was also torched not long after. In both cases, Australian troops were flown in to restore order and protect the local Chinese community. If a similar situation arises in the future, the Chinese military could intervene instead of leaving it to Australia — an action which could have dangerous unforeseen consequences.

Many island nations are getting caught in a web of both debt on Chinese loans and generous largess that can lead to political realigning. It was likely a mix of China’s seeming generosity and concern over debt management that saw Vanuatu become the first Pacific nation — and second in the world after Iran — recognizing China’s claims in the South China Sea.

The US appears hostage to the politics and conflicts of the Middle East, while largely ignoring its western flank. Yet for the price of one day of war in Afghanistan or Iraq, the United States could be getting good value from investing among the small populations of the Pacific. What Pacific islanders want is genuine political and economic engagement, wider migration pathways and trade opportunities, respect for their cultures, and action on climate change. At present they get virtually none of these from the United States.

Australia too has been negligent, partly because it feels the need to focus on Afghanistan and the Middle East to support the United States, and partly because recent governments have cut billions of dollars in foreign aid and allowed traditional soft-power institutions such as Australia Network TV and Radio Australia to cut back Pacific services. More disturbingly is Canberra’s lack of meaningful engagement on Melanesian terms, such as its failure to join the sub-regional Melanesian Spearhead Group (MSG) even though Australia is itself a Melanesian country (due to its Torres Strait and South Sea Islander communities), which has seen other powers like Indonesia and China step in. Indonesia has thrown its weight around inside the MSG and is allegedly providing covert funds to a variety of MPs and officials across Melanesia, desperate to stop the snow-ball ing regional support for West Papuan independence.

This highlights another reason why some Melanesian nations such as Vanuatu are embracing China — they fear Indonesian expansion and interference more than they are worried about China. Indeed, as Indonesia has bought offmade inroads into the political leadership in Fiji and PNG, other Melanesian nations see China as a potential ally, either as some “muscle” in their corner against Indonesian threats, or potentially to help liberate the West Papuans.

Perhaps the recent - and first ever - sortie by Russian Tu-95 “Bear” bombers using the Biak airbase in West Papua to fly south and probe Australian airspace is a reminder to Australia and the region of the strategic importance of West Papua and the new powers getting involved there.

In the years ahead, the vast Pacific will no longer be an “American lake”, it will be a patchwork of island nations trying to keep their customs and unity, sometimes exploiting the rivalry around them, as the great powers compete for control and influence.