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Australia-Fiji Relations in 2018: Finding a New Normal

BY RICHARD HERR

Australia has been attempting to normalize its fractured relationship with Fiji since the republic's return to parliamentary democracy in 2014. Relations were ruptured significantly by an Australian-led sanctions regime following the 2006 military coup. The Government of Josaia Voreqe Bainimarama, however, has expressed little interest in returning to the "traditional" arrangements with Australia. Forging a new working relationship in 2018, an election year in Fiji, promises to be just as challenging for both countries as in any previous year.

Finding a new but mutually supported equilibrium is not entirely a bilateral process - there is a "dragon in the room" which cannot be ignored. Many in Fiji believe the Chinese were in Fiji's corner when the country needed a significant international friend to manage the isolation it felt in the wake of the 2006 coup sanctions. Australia, for its part, knows that Fiji sees China as providing an economic, diplomatic and aid alternative to traditional friends that was not available in previous decades.

At a bilateral level, Canberra opened 2018 with a new start in Suva. John Feakes, a career diplomat, was appointed High Commissioner to Fiji in November 2017 replacing Margaret Toomey who had had a sometimes-rocky relationship with the Bainimarama Government. Feakes carried no political baggage into Fiji but he came with experience in the United Nations and in mid-East conflict areas - a useful background in light of Fiji's peacekeeping commitments.

However, the smoke of the New Year's fireworks had hardly cleared from the Sydney Harbour Bridge before Canberra set off some political pyrotechnics over the Pacific Island region with implications for Fiji.

Australia's International Development Minister, Concetta Fierravanti-Wells assailed China's Pacific aid programs in early January 2018 claiming many buildings were "useless" and the roads went "nowhere". Moreover, she asserted, the concessional loans funding these projects imposed an unsustainable debt burden on the recipient countries.

Her attack appeared somewhat at odds with the November 2017 Foreign Policy White Paper. The White Paper did reflect the Government's concerns over China's expanding security influence in Indo-Pacific region but competition with China for leadership in the South Pacific was tactfully avoided in the chapter on regional relations.

The Fierravanti-Wells criticism of China's approach to regional aid, however, served to confirm what many in Suva had believed for nearly a decade. Finding a new normal in relations between Fiji and Australia necessarily will involve a triangular approach - balancing Australian and Chinese interests with Fiji's aspirations.

The White Paper argued for engaging with the Pacific Island region "with greater intensity and ambition" inter alia through 'promoting economic cooperation and greater integration within the Pacific and also with the Australian and New Zealand economies'. The focus for achieving this objective has been to secure regional support for an extension of the Pacific Agreement on Closer Economic Relations (PACER)

Richard Herr, Academic Coordinator for Parliamentary Law, University of Tasmania, explains that "Australia knows that Fiji sees China as providing an economic, diplomatic and aid alternative to traditional friends that was not available in previous decades."

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to establish a free trade amongst the Pacific Islands Forum states and both Australia and New Zealand known as PACER Plus.

In April 2017 Fiji and Papua New Guinea declined to sign the PACER Plus Agreement arguing that the trade deal would hurt their developing industries while giving greater access to Australian and New Zealand to regional markets. Their decision has been crippling for PACER Plus since these two economies account for about 80% of the regional output.

The month following the PACER Plus decision, Prime Minister Bainimarama was in Shanghai to support China’s Belt and Road Initiative (BRI) for economic integration. His support was underscored by the announcement that he was closing Fiji’s trade office in Taipei. It is clear that both China and Fiji hope to use Fiji’s status as a regional hub to support the BRI project.

China is currently the region’s second largest source for development assistance and the largest donor to Fiji, having overtaken Australia and New Zealand in the years since the 2006 military coup. Trade also supports a strong Chinese presence in regional economies. China has become the primary source of imports into Fiji ahead of New Zealand, Australia, and Singapore. It ranks fourth in taking Fijian exports behind the United States, Australia, and New Zealand.

Beyond aid and trade, China’s cultural footprint in Fiji is increasing. While Fiji’s key tourism industry continues to be dominated by traditional sources – Australia, New Zealand, and the United States, the growth in visitors from China has been rapid. Although it lags well behind the figures from Australia and New Zealand, Chinese tourists now outnumber tourists from all other Asian origin countries combined with these numbers expected to rise in the future as a share of all visitors to Fiji. China is also developing a profile as a destination for Fijian students and for professional training.

As much as Canberra may regret competing with Beijing for influence in Suva, the rise of China’s profile has not been without domestic consequences in Fiji. Some in Fiji have become concerned that China has become too closely connected to official sources of power through a significant bureaucratic China lobby with the Government, as well as through its commercial investment in the Fijian economy.

The deportation of alleged Chinese criminals from Fiji to China in August 2017 shone a spotlight on the issues both positively and negatively. For some Fijians, it demonstrated the value of close cooperation with Chinese law enforcement to deal with Chinese crime. Others were more concerned with the secrecy and lack of apparent due process in the removal from Fiji of 77 individuals hooded, manacled, and frog-marched on to a Chinese airplane by a police force in foreign uniforms operating on Fijian soil.

Relations with China may become an issue in this year’s general election. Sitiveni Rabuka, the 1987 coup leader and now leader of SODELPA, the main opposition party, has questioned the value of Chinese aid. He has supported Fieravanti-Wells’ concerns that the size of the debt from Chinese concessional loans has become unsustainable.

Normalizing the relationship with Fiji during 2018 could never mean returning to the pre-2006 relations for Australian policy makers. However, managing a new normal will continue to be elusive until the triangular dynamics of Fiji’s relationships with China and Australia are made routine. Fiji’s response to the White Paper as amended by Fieravanti-Wells and the outcome of Fiji’s election will bear close scrutiny for its implications for the future of Australia-Fiji relations.

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