The United States and China in Oceania: the Showdown Is Heating Up

During the modern stage in the geopolitical rivalry among world powers to gain influence in the Asia-Pacific, where it shows up most vividly is in the southern part of the Pacific Ocean: Australia, China, the United States, and Japan are all trying hard to become chummy with the countries in Oceania, but each of those is pursuing its own objectives. Australia is struggling to keep its dominant position in Oceania by strengthening its position in Melanesia; China is standing for expanding its political, economic, and possibly even military role throughout the region; the United States, whose largest Pacific bases are concentrated in Micronesia, is trying to put up resistance to the Chinese by bolstering its own defense capabilities.

Back in 2019, during his visit to Guam, where the most strategically important American military base in the Pacific Ocean is located, US Secretary of State Mike Pompeo announced the start of negotiations on the Compact of Free Association with the Federated States of Micronesia, the Marshall Islands, and Palau, which Washington intends to use to counter China’s growing influence in Oceania. In this regard, in September 2020 relations with Palau, which is a small country with a population of 18,000 that has a compact of free association with the United States, gained an impetus to develop further in the form of a 200-mile exclusive economic zone (EEZ), or about 630,000 square kilometers, which is comparable to twice the area occupied by Germany. The Compact of Free Association between the US and Palau was signed in 1986, and this means that for 50 years the American side has borne (and will continue to do so) responsibility for the country’s security, and, stemming from that, was permitted to deploy its military bases there.

For a long time, the United States did not take advantage of that opportunity, but now, against the backdrop of its struggle with China for influence in the Pacific Ocean, the situation has radically changed. At the end of August 2020, US Secretary of Defense Mark Esper made a visit to Palau in the framework of a tour around the Pacific Ocean, and proclaimed China’s “malign influence” in the area. What is noteworthy is that China, unlike the United States, has invested about $ 1.6 billion in Oceania over the past decade while being a relatively “new” actor in the region, whereas the United States has invested $ 1.19 billion. This fact is already calling into question how “harmful” Chinese influence is: after all, Beijing is not spending money on military bases, but on infrastructure and social projects.

In any case, during the visit by the US Secretary of Defense the Palauan President, Thomas Remengesau, Jr., proposed that Washington could deploy a military base in his country along with the ancillary infrastructure in the form of ports and airfields, and provide assistance patrolling the waters of its enormous EEZ. It is important to note that Palau is still one of four countries throughout Oceania that diplomatically recognizes Taiwan. Among other things, one of the reasons for Palau turning to Washington for help could be the economic problems inflicted on it by suspending air travel during the pandemic, given that the tourism industry is the main source of profit for the Micronesian country.

Despite the fact that the US has ramped up its activities in the southern part of the Pacific Ocean, China not only maintains its interest, but is showing markedly increased interest in cooperating with the island countries throughout Oceania, which hold appeal for Beijing for many reasons. First of all, this means the desire for “true friendship, implementing practical cooperation, and achieving mutually beneficial results,” which was personally stated by the PRC’s General Secretary, Xi Jinping. Second, this means commercial interests, including access to the resources possessed by several states in Oceania: gas, oil, nickel, gold, copper, and many fishery resources. Finally, this means logistics routes, and the vast exclusive economic zones in the southern part of the Pacific; these will
permit China to take a more active part in the local fishing grounds there.

While the United States is vigilantly guarding Micronesia from “malign” Chinese influence, China is ratcheting up its presence in the countries throughout both Melanesia (Papua New Guinea, Fiji, Vanuatu, the Solomon Islands, etc.) and Polynesia (Samoa, Tonga, Kiribati, etc.). For example, in 2019 Beijing managed to “woo over” a country right in the heart of Polynesia to its side, Kiribati, which used to diplomatically recognize Taiwan. There is no doubt that Kiribati is a unique country, which is located in all four of the Earth’s hemispheres at once, and has both extensive reserves of fish and a gigantic EEZ of 3.5 million square kilometers. At the same time, Kiribati is very active in drawing the world community’s attention to the issue of climate change, since its inhabited atolls are gradually being absorbed by the waters of the Pacific Ocean. Beijing has responded to the calls for help from the Polynesian state, and is now planning to reclaim the land that the country has lost by raising and reinforcing the atolls that have sunk beneath the water. Moreover, China has extensive experience doing this kind of work in the South China Sea. Beijing also intends to build two massive ports in Kiribati, which, along with the rebuilt atolls, could have a positive impact on the local economy. Chinese projects are expected to help attract fishing companies and tourist cruise liners, and provide Kiribati residents with new jobs. It is fairly hard to call this influence “malign”, especially taking into account the fact that for a long time Australia and the United States paid little attention to the impact that climate change has been having on the countries in Oceania. It is worth noting that China is one of the world leaders in the field of green energy: at the end of last year, China produced roughly one-third of the world’s volume of solar energy, and kept its leading position in terms of its number of wind turbines. This kind of cooperation between China and Kiribati is well-suited to the One Belt, One Road Initiative, and the Oceanic state joined this in January 2020.

In response to Beijing’s plans, some Western experts have started to sound the alarm about the Chinese presence in Kiribati, and are specifically expressing their concerns that Chinese military bases could potentially be deployed in Polynesia and control logistics routes in the center of the Pacific Ocean, as well as around Kiribati itself, which is rich in water and mineral resources. The Polynesian state truly does have an important geostrategic position in the South Pacific due to its proximity to the US military bases in Hawaii and the Marshall Islands, but, on the other hand, all the rumors about the Chinese setting up military bases in Oceania have not yet been confirmed.

In either case, this kind of struggle for influence in Oceania between China and the US for opportunities to gain footholds in the region, and the talk about bolstering the presence of armed forces there, is a significant indication that in the future Oceania will likely become militarized. The ways of implementing these plays adopted by Washington and Beijing also stand in stark contrast to each other: the former is directly proclaiming its intentions to deploy military bases on the islands, while the latter is providing financial assistance where it is needed. Nonetheless, despite these different approaches, both world giants are pursuing the same goal in Oceania, and achieving that means that the struggle between them will be growing more severe.

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