

RESEARCH ARTICLES

A South-South Tango: China's Soft Power Relations With Fiji Since 1975

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This paper on China's soft power relations with Fiji since 1975 provides an on-the-ground view of the scope of China's Aid, Foreign Direct Investments (FDI) and Trade with Fiji to provide an alternative narrative for China's increased presence in the Pacific, including Fiji. Its focus on China's three non-coercive tools of soft power diplomacy (aid, FDI and trade) with Fiji aims to highlight Fiji's anticipatory geographies as initially conceptualized by Sparke (2007) and applied to Fiji by Szadziewski (2020). Existing literature on China's increased presence in the Pacific is dominated by geopolitical and geostrategic narratives which portray Pacific island states as a 'collective pawn' in the aid competition between the Pacific islands' traditional aid donors (U.S., Australia and New Zealand) and China. This paper highlights the need for alternative narratives to show the agency of Pacific island states, including Fiji, and how they are capable of setting its own aid agendas and of choosing their principal aid donors. It also seeks to challenge mainstream alarmist and fear mongering narratives of China's increased presence in the Pacific and Fiji.

Introduction

This paper presents a clearer focus on the scope of China's trilateral engagements with Fiji since 1975 to demystify existing literature on China's growing presence in the Pacific, including Fiji. I use the term 'trilateral' here to refer to the three-pronged Sino-Fiji engagements through aid, foreign direct investments (FDI) and trade. In doing so, the paper makes a significant contribution to the literature by exploring the geoeconomic narrative which pivots on soft power diplomacy. Using Nye's 'soft power' theoretical framework, this paper zeros in on China's bilateral (1975-2005) and trilateral (2006 to the present day) engagements with Fiji to provide an on-the-ground view of Fiji's South-South tango with China. This ground view seeks to provide insights into the commercial and fragmented nature of China's economic relations with Fiji.

Soft power diplomacy uses a range of non-coercive tools including economic ones such as the three tools of (tied) aid, FDI and trade. Nonetheless, soft power diplomacy can become subversive when its economic tools push recipients deeper into debt and dependence. This paper traces China's soft power entry into Fiji and how the three economic tools have contributed to Fiji's growing unequal trade/exchange relations with China since 2007. Despite this unequal relationship, the paper contends that Fiji's agency in

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'borrowing smart' from China has kept its debt to China at only 10.6% of its total debt burden. Fiji is not beholden to China and this was demonstrated in May last year when the Fijian government gravitated towards the US-led Indo-Pacific Economic Framework (IPEF) while still maintaining its cordial relations with China (Fijian Government, 2022).

This paper underlines three important points: (a) that the actual scope and volumes of China's aid, FDI and trade to and with Fiji has been hyped up and overinflated by the media and government officials on both sides as part of Fiji's anticipatory geographies; (b) that the level of unequal exchange relations between Fiji and China remains substantial despite all the fanfare about the benevolence of Chinese aid and the contributions it has made to Fiji's economic growth; and (c) that Fiji as an island state is not a witless, passive recipient of aid from China because aid requests from Fiji are tied to Fiji's development plans and policies and the socioeconomic aspirations (anticipatory geographies) that underpin these blueprints. The aid agenda setting by Fiji highlights the island nation's agency when it comes to brokering development aid from major donors. The next section contextualizes competing aid narratives to underline the agency of Pacific island states like Fiji in their soft power relations with major aid donors.

Competing aid narratives

Mainstream literature on China's increased presence in the Pacific has commonly adopted a helicopter view that portrays the island states as a 'collective pawn' in China's 'cheque-book diplomacy' (diplomatic recognition in exchange for aid) and 'go global' strategies (e.g., Bozzato, 2017; Brant, 2013; Cook, 2018; D'Arcy, 2007; Firth, 2013; Hanson & Fifita, 2011; Packam & Barrett, 2019; Pryke, 2018; Rajah et al., 2019; Windybank, 2005). Such literature has critically appraised the geopolitical and geostrategic implications of China's activities in and aid to the Pacific. However, although these analyses have helped to provide meaningful theory-driven insights on China's escalating presence in the region, they commonly fail to provide an island-centered 'buy-in' to the region's aid narratives.

China's so-called cheque-book diplomacy was framed by its aid competition with Taiwan, underpinned by the country's 'One China' policy. Some analysts have dubbed it 'aid for UN votes' or 'diplomatic soft war' between two rivals, with Taiwan countering China's go global strategy by offering aid to struggling countries in the Third World. Conceptualized in the year 2000, China's go global strategy is tied to its quest on the eve of the new millennium to acquire more markets and resources abroad. This strategy frames China's Belt and Road Initiative (BRI) which seeks to connect Asia to Europe and Africa through two trade routes: the 21st Century Maritime Silk Road and a Silk Road Economic Belt (Hannan & Firth, 2016; Molnar et al., 2021; Rodd, 2020; Zhang, 2018). The BRI now frames China's soft power diplomacy with partner island states in the Pacific.

Other analysts including prominent scholars of Pacific regionalism (Dornan & Brant, 2014; Fry, 2019; Kabutaulaka, 2022a, 2022b; Rodd, 2020; Tarte, 2011; Wesley-Smith, 2013, 2016) have explored the agency of Pacific island states as conscious actors in the geopolitics of China's aid to the Pacific. Australia now acknowledges this agency as reflected in the speech by Australian Foreign Minister Penny Wong at the July 2022 Pacific Islands Forum meeting. Promising a renewed commitment by Australia to aid climate change imperatives in the Pacific, Wong stated:

Through the Forum, Pacific nations have championed their interests on the international stage—and led international thinking on issues such as climate... You've been crystal clear and consistent. You've led the global debate. (Wong, 2022)

There is nonetheless, an acute absence of intensive analysis of the individual island states' bilateral and trilateral engagements with China since the 1970s. This gap in the literature exists due to the sketchy nature of official information issued by China as an aid donor and is further compounded by a tendency among analysts to toe the dominant Global North's aid narrative. This narrative tends to overemphasize the geopolitical and geostrategic aid agendas of China in the Pacific (Hanson & Fifita, 2011, p. 3; Urhoa, 2021, p. 2; Zhang, 2019).

The existing literature on China's aid to the Pacific island states is therefore largely framed by global geopolitical and geostrategic narratives to emphasize either the Blue Economy or the IPEF as the pivot for diplomatic and bilateral relations with the island states in the Pacific. Conceptualized at the Pacific Islands Forum Leaders' Meeting in 2017, the Blue Pacific narrative aims to strengthen the assertion of sovereignty and autonomy by the island nations to choose their own destinies, and by logical extension, their principal aid donors. On the other hand, the IPEF narrative, which was launched to counter China's presence in the Pacific, privileges the Pacific as a region of strategic interest to traditional donors led by the U.S. The IPEF seems less popular among Pacific island states because of its tendency to portray them as geopolitical 'pawns' while privileging the 'Indo' over the 'Pacific' (Wallis, 2019). If we are to tie China's increasing presence in the Pacific and Fiji to one of these two competing aid narratives, would it be logical to tie it to the Blue Pacific narrative? If so, can China's increased presence in the Pacific be contextualized as an opportunity for its Pacific island partners to assert their sovereignty and choose their own development pathways—whether it be one subservient to the ministrations of their traditional donors (including the U.S., Australia and New Zealand) from the Global North or instead a South-South pathway to development carved by Chinese aid, FDI and trade? Notwithstanding these niggling and pertinent questions, the competing narratives of Blue Pacific versus the IPEF can be set alongside an emergent geoeconomic narrative, the anticipatory geographies discourse, which contextualizes mainstream geopolitical and geostrategic narratives as fear mongering or alarmist accounts

of China's rising presence in the Pacific propagated by the Pacific's traditional aid donors (see Connolly, 2016). This section has spotlighted the need to focus on the anticipatory geographies of the Pacific island states as these socioeconomic aspirations often underpin their aid requests. The next section contextualizes anticipatory geographies as an alternative narrative of the Pacific as a region of geostrategic and geopolitical contest between traditional aid donors and China as an emerging alternative aid donor.

A third narrative of the Pacific as a contested space: Anticipatory geographies

Referring to Mathew Sparke's initial conceptualization of anticipatory geographies, Szadziewski (2020, p. 2) describes it as:

[A] state-driven economic narrative with the potential to reconfigure spaces and identities. The core message in anticipatory geographies is economic hope. A state promise of rejuvenation and prosperity through networks and inclusion.

Disseminated through government rhetoric and speeches, anticipatory geographies embody a government's vision for the future. As such, this vision will underpin national development plans and development policies. In this vein, anticipatory geographies as an alternative to or supplementary discourse on China's growing presence in the Pacific can provide a buy in to the agency of sovereign island states in the region by highlighting the individual island states' own aid-oriented economic aspirations and visions for their future.

The constant hype over China's aid and FDI by Fijian government officials and the Fijian government's commitment to its 'Look North policy' have been identified by Szadziewski (2020) as Fiji's anticipatory geographies and as such, these narratives encapsulate Fiji's 'agency' as the second largest recipient of Chinese aid in the Pacific. Tarte (2010, p. 67) among others has rightly pointed out that Fiji plays a key role in the region's geopolitical and geostrategic developments. Zhang and Shivani (2021) underscore the same in their discussion of Fiji's leading role in Pacific regionalism:

Fiji has several characteristics that make it a heavy weight in the Pacific. It has the second largest population (900,000), second biggest economy (US\$9.1 billion) and third largest land size in the region. Located in the middle of the South Pacific, Fiji is also a regional hub and hosts many international and regional organisations.

In the same vein, Rodd (2020, p. 96) identifies four potentials where Fiji's agency as a sovereign island state can be optimized through its participation in China's BRI: (a) aiding Fiji's development and economic growth; (b) attracting other development partners to Fiji and the region; (c) enhancing Fiji's role as the hub of the South Pacific; and (d) facilitating Fiji's recognition on the global stage.

The main gap in the literature stemming from the helicopter view of geopolitical and geostrategic discourses on China's rising presence in the Pacific underlines the need for an alternative lens—that of geoeconomics with its anticipatory geographies standpoint. Anticipatory geographies as an analytical framework, aligns to the Blue Economy narrative by seeking to highlight the concept of 'agency' among aid recipients. In this vein, the geopolitical and geostrategic implications of China's growing presence in the Pacific may be contextualized as a North-South struggle wherein the Global North, including the two proximate traditional bilateral donors to the Pacific (Australia and New Zealand), have stepped up their political and strategic engagements with the region as a buffer against what is widely perceived as 'insidious' Chinese intrusions. Henderson and Reilly (2003), Salem (2020), Handley and Seselia (2022), and Urhova (2021) among others have already highlighted that the region has had a long history as a contested space between major aid donors:

Aid competition in the Pacific dates back to the Cold War, during which aid was used to gain political support, diplomatic recognition, access to natural resources, and votes for multilateral institutions. Soon after, the United States and the Soviet Union withdrew from the Pacific, enabling New Zealand and Australia to become major aid donors in the Pacific and exercise their influence over the region. (Urhova, 2021, p. 8)

All the major traditional aid donors (the U.S., Australia, and New Zealand) for the Pacific island states have, since 2017, beefed up their aid budgets for the region (Hameiri, 2015; Salem, 2020; Wallis, 2018). The U.S., having downsized its aid packages to the Pacific after the end of World War II, has now been pulled back into the region's highly politicized aid narratives about China's growing presence in the Pacific. There is some irony in the recent upscaling of aid to the Pacific islands by traditional donors because it is happening at a time when they are downsizing their aid to other regions of the Third World. Australia's emerging aid narrative for its Pacific 'Step Up', frames its intentions to increase its aid to the Pacific (by 6.6% during the 2019-2020 period and by 35% over the coming years) at the expense of its aid budget for Asia. New Zealand also plans to scale up its aid to the Pacific by US\$500 million over the coming years with its 'Pacific Reset' rhetoric. The U.S. and Japan are also trending their aid to the Pacific along the same path, with a forecasted increase of 8% by the U.S. and a 6% increase by Japan (Salem, 2020; Wallis, 2019). This counter-stance against China in the Pacific has also manifested in the U.S.-led IPEF with its focus on increased economic and strategic engagements between the region's island states and their traditional donors.

China's growing presence in the Pacific also needs to be analyzed from an islander-oriented and island-centered perspective. This perspective sits within the decolonization framework and as such, it highlights that island states in the Pacific, including Fiji, are not witless, passive recipients of development aid. Salem (2020, p. 242) expounds this sentiment succinctly with his reference to

the ability of these island states to manipulate their major aid donors against each other to get more aid: “The microstates have time and again switched between China and Taiwan and played one against the other to get more aid money out of their diplomatic rivalry.” Kabutaulaka (2022a) reinforces this point in his commentary on Australia-instigated debates about the recent Solomon Islands security negotiations with China: “Neither Solomon Islanders (nor other Pacific peoples) are ‘passive dupes’ to Chinese influence or unaware of geopolitical challenges—and opportunities.”

To better understand the actions of the island state recipients, this paper will map the trajectory of Fiji's South-South tango with China. For far too long, foreign aid recipient countries in the Global South have been persistently portrayed as witless, passive victims of donor-self-interest (Mausio, 2006, p. 41). The islander-oriented and island-centered approach requires a closer look at how individual recipient countries have set the agendas for the aid that they receive rather than swallowing hook, line and sinker aid packages proffered by foreign aid donors.

Highlighting Fiji's agency in the face of sanctions imposed by Australia and other traditional donors after the 2006 coup, Tarte (2011) observes that the sanctions only served to push Fiji towards alternative aid donors including China:

Australia's efforts to isolate the Fiji government have encouraged Fiji to actively seek new partnerships, including most notably with China. This has led to the growing influence of China, and what seems to be a commensurate loss of influence by Australia.

Following the 2006 military coup and the routine post-coup sanctions imposed by Fiji's traditional Official Development Assistance (ODA) donors, China stepped in to fill the void. Spurned by Australia, New Zealand and other traditional donors, Fiji sought solace in China's welcoming attitude. Then Prime Minister Frank Bainimarama articulated Fiji's response to the post-2006 coup sanctions in his address at the 40th anniversary of the China-Fiji Diplomatic Relations:

China has been a steadfast ally, standing by us when we chose to alter our national compass and our traditional allies turned their backs on us. It was there to support us as we Looked North and expanded our links with the world beyond our immediate neighborhood (Bainimarama, 2015).

It is obvious that the attempt by traditional partners, Australia and New Zealand, to coerce the interim government led by Bainiarama to restore democracy and good governance through sanctions only served to strengthen the budding Sino-Fiji relationship. Fiji is now the second-largest recipient of Chinese aid to the Pacific next to Papua New Guinea. In 2007 alone, China's grants and aid pledges to Fiji totaled around \$FJD167million and this accounted for more than half of China's total annual aid to the Pacific (Lyu,

2011). Another undercurrent of the post-2006 coup sanctions against Fiji can be seen in the expansion of Fiji's Look North policy to include the establishment and strengthening of diplomatic ties between Fiji, Cuba, Russia, Indonesia and other non-traditional partners from Asia and beyond. Between 2010 and 2021, Indonesia has provided aid to rehabilitate one of Fiji's top boarding schools for indigenous Fijian male students, apart from providing pharmaceutical donations to mitigate COVID-19. Cuba has sponsored Fijian students to study medicine in Cuba. That these new bilateral aid ties exist is indicative of Fiji's agency and capacity to choose who it tangoes with. The formation of the Pacific Islands Development Forum (PIDF) in 2009 as Fiji's response to its expulsion from the Pacific Islands Forum is also testament to Fiji's agency as the second largest economy in the Pacific. Fiji's agency as a broker and mediator in regional affairs was recently spotlighted by Prime Minister Rabuka's visit to Kiribati on 20th January 2023. His mission was to persuade Kiribati to rejoin the PIDF (Narayan, 2023).

Speaking at the 40th anniversary celebrations of Sino-Fiji diplomatic relations in 2015, the then-Fijian Minister for Women, Mereseini Vuniwaqa, spotlighted Fiji's capacity to set its own agendas with reference to the government's Look North policy:

In adopting the 'Look North' policy, the objective for Government has been to widen bilateral relations and seek fresh sources of trade, investment and developmental support from other countries. In other words, this strategy is to diversify Fiji's relationships with other countries. (Vuniwaqa, 2015)

This statement indicates that Fiji's Look North policy was not necessarily China-centric from the outset. Rather, it reflects Fiji's resolve to get out the rut created by the post-2006 coup sanctions by reaching out to potential bilateral partners beyond Australia, New Zealand and the U.S. Fiji's agency in choosing who it tangoes with was again demonstrated last year when the Fiji First government chose to join the US-led IPEF while maintaining close relations with China.

What is happening in the Pacific right now with island states like the Solomon Islands and Kiribati exercising their sovereign rights to choose between China's aid and the U.S. led IPEF should underscore the need for a ground view of individual island states in the Pacific to acknowledge their agency as sovereign states to set their own agendas for aid from donors. Hameiri (2015) aptly underlines this sentiment:

But the main political effects of Chinese engagement in the Pacific are derived not from its inherent characteristics, nor the agenda set by Chinese policymakers, but from the intent and capacity of Pacific governments to harness it towards their own domestic and international political objectives. Post-coup Fiji provides an instructive example.

Dornan and Brant (2014, p. 13) have similarly spotlighted the agency of Pacific island states, saying that “Pacific Island countries are key players in the negotiation, oversight, implementation and (ultimately) effectiveness of Chinese assistance.”

Just like the Official Development Assistance (ODA) flows from traditional aid donors, China's aid to the Pacific does not flow willy-nilly into the island states but is aligned to each island state's developmental and economic aspirations, framed by their strategic national development plans as well as their development policies. In her study on Australian aid to Fiji from 1970 to 1986, Mausio (2006) confirmed that Australian aid to Fiji had to dovetail with Fiji's aid requests to Canberra and that Fiji's aid requests were closely aligned with the island state's five-year development plans. Kabutaulaka eloquently asserts this agency in his discussion of the island state's capacity to look out for its own interests when engaging with China: “They have learned how the Chinese government functions, which agencies do what, and so have acquired capacity to look after their own interests ... they say no to Chinese loans when they think it is not beneficial to them” (Ligaula, 2022)

More often than not, it is the recipient and not the donor that sets the agenda for incoming aid. Consequently, China's aid from 2017 onward has had to align with Fiji's 5-Year and 20-Year National Development Plans (2017-2021 and 2017-2036) and various other national action plans and frameworks. While there was no national development plan for the years 2012 to 2017, the Fijian government framed its aid requests to China and other donors according to its anticipatory geographies (publicized government rhetoric on its vision for the nation's future growth), development policies, and the Green Growth Framework 2014 (a blueprint for pursuing sustainable development).

Also emphasizing the agency of Pacific island states to set their own aid agendas for receiving aid, Rajah et al. (2019) assert that “Pacific nations are clearly in the driver's seat in setting their own borrowing policies. Most have frameworks intended to protect overall debt sustainability, operating with varying degrees of effectiveness.” China's aid is now managed by the Fijian Prime Minister's office, whereas pre-2006 coup, all ODA used to flow through a Budget and Aid Coordination Committee located within the former Ministry of Finance (now the Ministry of Economy). The next section looks at the economic context of China's increasing presence in Fiji and the Pacific to set the tone for the subsequent sections focusing on the three conduits of China's increased presence in Fiji: Aid, FDI and Trade.

The economics of China's rising presence in the Pacific and Fiji

China's growing trade and economic engagements with Fiji need to be viewed against the broader context of global geoeconomics and the rise of the new bloc of rapidly booming economies: the BRICS (Brazil, Russia, India, China, and South Africa). China as a leading BRICS aid donor was, by the turn of the new millennium, already poised to ‘Go Global’ through its aid, FDI and trade. By 2010, China's economy had already boomed to become

the second largest on the globe. Driven by its Go Global/Go Out agenda and parallel to its affiliation with the rising BRICS' stakes in the global economy, China orchestrated a multiregional economic and infrastructural network hinged on its BRI, FDI and trade across the globe. China's Belt and Road Initiative, launched in 2013 as part of its 'Go Global' agenda, has established various trade and economic partnerships across the globe including island states in the Pacific.

As of 2018, nine South Pacific island states including Vanuatu and Niue had signed MOUs with China to get on board the BRI. Fiji joined the BRI via a MOU in November 2018. For Fiji, all the major road upgrades and other infrastructure projects funded either by grants from the China Ministry of Commerce or concessional loans from China's EXIM Bank or by direct investments were/are BRI projects. In terms of outcomes, the BRI in Fiji has had mixed outcomes. For instance, a FJ\$500 million (US\$250 million) Silk Road Ark Hotel development at Komave on Fiji's Coral Coast has turned out to be a BRI white elephant because the development which commenced in 2016, came to a stop in 2017. There was a prolonged delay in obtaining a foreshore lease for the project. No further work on the project has been done between 2017 and 2022. Another BRI investment that has been embroiled in 'stop work' orders by the Fijian government severely hampering its completion is the high-rise WG Friendship Plaza on McGregor Road in Suva (see discussion of this multimillion dollar FDI below). This high-rise development, which was forecasted to be completed in 2021, is still incomplete as of August 2022.

China's geoeconomic engagements with Fiji and other island states in the Pacific has picked up a brisk pace since 2006, propelling China into becoming the second largest development aid donor to the Pacific by 2017 (accounting for 8% of the total aid to the Pacific) and the largest aid donor to Fiji. China now outranks Australia which previously was Fiji's largest ODA donor. Between 2006 and 2017, China pledged an estimated U.S. \$1.5 billion in development aid to the Pacific region through a mixture of grants and loans (Pryke, 2020). Shored up by the Fiji government's 'Look North' concessions in the form of 'visa-free' entries for Chinese nationals plus China-friendly investment policies, China increased its aid pledges to Fiji from around \$FJD167m in 2007 to approximately \$FJD400 million in 2017 (Hanson & Fifita, 2011; UNDP, 2014; Urhova, 2021; Zhang, 2015).

China's initial efforts to engage Fiji as one of its development aid clients in the Pacific dates as far back as 1975 under the Alliance government, making Fiji the first island state in the Pacific to engage in diplomatic relations with China. The Sino-Fiji diplomatic tango is more than four decades old, and it was initially by mutual engagement rather than an imposition on the part of the Chinese government. In his address at the 40th anniversary of Fiji's diplomatic ties with China, then-Fijian PM Bainimarama articulates Fiji's agency in choosing China back in 1975: "Here in Fiji, we were in the fifth year of our

independence with Ratu Sir Kamisese Mara as our Prime Minister, when we reached out to China ourselves, becoming the first Pacific Island nation to establish diplomatic relations with Beijing” (Bainimarama, 2015).

Notwithstanding, it needs noting that although the initial engagement between China and Fiji was mutually predicated on soft power diplomacy, the relationship has become unequal with Fiji's growing debt to China. As of 2015, Fiji's debt to China constituted 38% of Fiji's total external/foreign debt (Whiteside, 2015). However, since the total national debt is made up of domestic debt at 70% and external debt at 30%, there is no real cause for alarm over Fiji's debt to China because Fiji's debt to China as of 2021 comprised only 10.6% of its total debt burden.

Although the volume of China's official development aid and direct foreign investments into Fiji remained negligible as a share of the GDP during the first three decades (late 1970s to 2006), it has significantly changed since 2006. This change sits within the larger trajectory of China's escalated aid to the Pacific region since 2006. While China's aid to the Pacific and Fiji may be negligible in volume relative to its total aid to other regions around the globe, the increased influx of Chinese aid, FDI and trade to individual island states like Fiji has been sensationalized in the local media by the Fiji First government. The next section examines how the three tools of China's soft power relations with Fiji have been transacted since 2006 to highlight that: (a) the grant aid component was gradually reduced and replaced by concessional loans from 2007 onwards; (b) the real volumes of China's FDI in Fiji have been sensationalized and inflated; (c) several of the China FDI projects have been embroiled in controversies and stop work orders; and, (d) China's trade with Fiji remains unequal in favor of China's exports to Fiji.

Phase 1 (1975-2005): The Sino-Fiji bilateral embrace

China's interest in propping up Fiji as its second largest aid recipient among Pacific island countries only began to gather momentum in the mid-1980s when China was on the cusp of its economic boom and was ready to 'Go Global'. It was during this period when China began to explore the possibility of engaging with dance partners in the Global South (Africa, Latin America, Asia and Oceania), particularly those that were well endowed with natural resources and were agreeable to the 'One-China policy'. The One-China policy demanded recognition of Beijing over breakaway Taiwan's Taipei. This political motive fueled China's agenda of patronizing Fiji since the late 1970s because the Alliance government and subsequent governments including interim ones in the wake of the three coups (1987, 2000 and 2006) consistently demonstrated allegiance to the One-China ideology. The first aid package from China for a rice scheme project was negotiated in a MOU between Fiji's Ministry of Agriculture, Fisheries and Forests and the China National Complete Plant Export Corporation in July 1983. Fiji's aid requests to donors in this period were closely aligned to its Five-Year Development Plans (DP 7 for 1976-1980 and DP 8 1981-1985) and this rice project was part of Fiji's policy-

Table 1. China's ODA to Fiji 1988-2006.

Project & dollar (\$) value	Aid flow category
1988 Bukuya Hydropower project in Viti Levu	[No Details Available: NDA]
1989 Wainiqueu Hydropower project in Vanua Levu [NDA]	NDA
1992 Tuniwa bridge project [NDA]	NDA
1992: Savu technical training school project [NDA]	NDA
1992 Rewa Delta rural electrification project [NDA]	NDA
2002 Multipurpose stadium Project: RMB 110 million/FJ\$16 million from China [Contractor: Sichuan Huashi Group Corporation Limited [China's Private Sector]. Completed in 2003.	Grant
2004: Equipment for Multipurpose Sports Complex in Suva worth RMB 25 million /US\$5.97 million.	Aid in Kind: Donation
2004: Navuso Bridge: RMB 16 million. Funding pledged in 2004 but completed in 2009. Contractor: China Railway 5 th Group.	Grant
2005: National Stadium Upkeep US\$1.88 million	Grant
2005: Somosomo Mini Hydro: RMB 50 million/US\$7.9 million/FJ\$14.5 million funded by the China Ministry of Commerce. Grant pledged in 2005 but project completed in 2016. Contractor: Changjiang Institute of Survey, Planning, Design and Research (CISPDR) [SOE]; Hunan Constructing Engineering Group Corporation [Chinese SOE]	Grant
2006 E-government project: RMB 165 million / (FJ\$20 million) by the China EXIM Bank; Loan pledged in 2006, project completed in 2011. Contractor: Alcatel-Lucent Shanghai Bell Co., Ltd. [Chinese SOE].	Concessional Loan
2006: Rokobili Container Terminal Project in Suva: [unspecified dollar value], project completed in 2006. Contractor: China Communications Construction Co., Ltd. (CCCC) : Chinese SOE.	Grant

Sources: China.AidData.Org, 2022; Lyu, 2011.

based pursuit of import substitution (Mausio, 2006). Along the same lines, Fiji's anticipatory geographies during this period promoted self-sufficiency through import substitution and export diversification (Mausio, 2006).

The year 1985 was significant in terms of China cementing its stakes and interests in the Pacific because this was when Hu Yaobang, then General Secretary of the Central Committee of the Communist Party of China (CPC), made an official visit to five countries in Oceania (Australia, New Zealand, Fiji, Western Samoa and Papua New Guinea) to explore the concept of economic cooperation between China and countries in the region (Lyu, 2011).

[Table 1](#) summarizes China's ODA to Fiji from 1988 to 2006 to show that grant aid and aid in kind (technical assistance) were the main ODA inflows from China prior to 2006.

Between 1985 and 1990, China provided technical assistance for various agricultural projects in Fiji and pledged funding assistance for two hydroelectricity projects (the Bukuya hydropower station on Viti Levu and the Wainiqueu hydroelectric project in Vanua Levu). China's aid in kind during the same period included a donation of two tractors in 1992 and a grant of almost US\$100k to the South Pacific Tourism Organization. In the same period, China sent three agricultural experts to teach rice cultivation technology in 1986 and two agricultural experts to teach vegetable cultivation technology. China's technical assistance included funding of the training of Fijian officials in Wuhan on modern agriculture management and the sponsorship of Major Tevita Mara for military training in China. China also provided technical assistance for Fiji's public health programs (Lyu, 2011).

Fiji's aid requests in this period were aligned to Fiji's Development Plan 9 for 1986-1990 and subsequent medium term (3 years) Strategic Plans after the comprehensive five-year development planning mode went out of vogue across the globe.

The early phase of the Sino-Fiji bilateral engagements hinged mainly on the politics of the One-China policy. China's presence in Fiji via its development aid programs did not capture much attention in the early phase because up until the late 1990s, ODA from traditional bilateral donors and development assistance from multilateral donors like the World Bank, the International Monetary Fund (IMF), and the European Economic Commission (EEC), still far eclipsed China's aid to the Pacific. China's development aid to Fiji only began to gain momentum at the turn of the new millennium when a number of major Chinese funded (via concessional loans), commercially oriented programs were negotiated and received by Qarase's SDL government between 2001 and 2006.

On an official visit to Fiji in February 2005, China's Assistant Minister of Commerce, Chen Jian, heaped praises on Fiji for its continued loyalty to the One-China Policy and made a pledge of \$FJD1.3 million dollars in development aid. Fiji's professed allegiance to the One-China policy was also more overtly evident in May 2005, when Fiji government officials including the then Prime Minister, Qarase, snubbed Taiwan's Prime Minister, Chen Shui-bian when he was reluctantly allowed in Fiji on a stopover. Neither Qarase nor any cabinet ministers showed up to a cocktail event hosted in honor of the Taiwanese leader (Lyu, 2011).

Phase 2 (2006 onward): Blossoming from bilateral to trilateral relations

Between 2006 and 2019, China's aid to Fiji became more commercially driven with a gradual reduction of the grant form of aid and an increase in concessional loans for major infrastructure projects (Hanson & Fifita, 2011, p. 3). Nonetheless, grant aid in cash still flowed to Fiji funded by China's Ministry of Commerce as well as aid in kind through various donations to institutions of the state (e.g., donations of equipment including vehicles and various other forms of technical assistance).

[Table 2](#) summarizes some of the major aid transfers (in the form of concessional grants) to Fiji between 2007 and 2017. Concessional and interest-free loans are the other two forms of China's aid that this section will explore. Interest-free loans are provided by the China Development Bank (CDB) whereas concessional or soft loans are mainly funded by the state-owned China Export Import Bank (EXIM). EXIM's concessional loans are pitched at 2% interest with a grace period of 5 years and a repayment timeframe of 15 to 20 years at the maximum whereas loans from the World Bank usually have a longer repayment timeframe of 30 to 40 years (Hameiri, 2015, p. 9).

Statistics on China's ODA to Fiji are quite difficult to access, so the figures tabulated hereunder were gathered from a new database (China.AidData.Org, 2022) which provides project details and completion updates and other secondary sources including speeches on China's aid by visiting Chinese

Table 2. China's grant aid to Fiji, 2007-2017.

Grant-Aided	Year pledged	Year Compl.	Value RMB / USD\$	Funding Source	Contractor(s)
Nukuruva-Vatukarasa Road Upgrade	2007	2009	FJ\$3.12 million	Unidentified Chinese Govt. Institution [UCGI]	Viti Vanua Holdings Co., Ltd (Fiji) [Private Sector]
Naqali Bridge	2008	2009	US\$3.8 million or FJ\$5.03m	UCGI	China Railway 1 st Group
Presidential House & Thurston Garden Fencing	2009	2011	RMB 8million / US\$1.53 million	China Ministry of Commerce	China Railway Fifth Engineering Group Co., Ltd [SOE]
PRB Public Housing-Raiwai [to supplement Concessional Loan]	2008	2018	FJ\$9.3 million	China Ministry of Commerce	China Railway 1 st Group
Navua Hospital	2009	2014	RMB 12.5 million / FJ\$11 million	UCGI	Yanjian Group Co., Ltd. [Private Sector]
Multipurpose Cargo Vessel	2010	2011	US\$3.4 million	UCGI	Wuhan Nanhua High-speed Ship Engineering Co., Ltd [SOE]
Kiuva Seawall	2012	2013	US\$1.36 million / FJD\$3 million	UCGI	China Railway 5th Group
Phase 1 Rice Rehabilitation	2015	2016	US\$4.71 million/ FJ\$19 million	China Ministry of Commerce	China Shandong International Economic and Technical Cooperation Corporation (SIETC) SOE; Yuan Longping High-Tech Agriculture Co., Ltd. (LPHT) SOE
Equipment for Rice Rehabilitation	2015	2015	US\$4.92 million	China Ministry of Commerce	-
Stinson Parade and Vatuwaqa Bridges [reconstruction]	2015	2018	RMB 91 million /FJ\$15 million	China Ministry of Commerce	China Railway 14th Bureau Group Co., Ltd. (CRCC14)
Suva Civic Center Upgrade	2017	2018	US\$9.7 million/ FJ\$20 million	People's Government of Guangdong Province (GDPTO) [Government Agency]	Namyue Group Co., Ltd [SOE]

YP = Year Pledged, YC = Year Completed. *Source:* China.AidData.Org, 2022.

dignitaries and Fijian government officials and Fiji government press releases. The Pacific Aid Map by the Lowy Institute (2023) and East Asia Forum was also useful to some extent.

[Table 2](#) shows that all Chinese grant-funded infrastructure and construction projects in Fiji engaged Chinese companies (most of which are state-owned enterprises) and this signifies that China's grant aid to Fiji is tied aid despite claims by Chinese officials that China's ODA to Fiji is untied. Aid repatriation occurs when donors insist on tying their aid to the procurement of project resources from their own private sector and the use of their own human resources (labor) in project implementation. The insistence by the Chinese government on tying its grant aid to its own contracting companies has been problematic for Fiji because there have been numerous occasions where concerns have been raised by local parties over the lack of adherence to Fiji's

Building Standards Code by Chinese construction companies. Mausio (2020, p. 10), discussing the specter of gentrification in Fiji, gives an example of this tendency by Chinese companies to flout Fiji's Building Standards Code with reference to the Chinese-funded Raiwai Public Rental Board public housing project:

Raiwai project was embroiled in a drawn out dispute between the state and the CRC over a lack of adherence by the latter to Fiji's stringent Building Standards Code. There were also allegations of failure by the CRC to pay for the local laborers' superannuation. This dispute resulted in a hefty cost blowout, spiraling the total costs of just one housing project from an initial outlay of FJ\$9 million (US\$4.232 million) to a final cost of FJ\$22 million.

The next subsection of this paper carries further discussions of some of the negative traits of China-funded projects in Fiji, including multimillion dollar investments (FDIs) by locally-registered Chinese companies. The state-owned Chinese company China Railway (1st to 5th Groups) has been the main contractor for China-aided construction projects in Fiji. The China Railway First Group (CRFG) first entered the Fijian market in 2007 and had, by 2020, completed a total of 28 major projects (Xinhua, 2020, October 15). One of these projects is the 18 level Fijian Holdings Limited (FHL) tower project within Suva's CDB and another one underway at the writing of this paper is the Davuilevu Housing project. These two projects (FHL Tower and Davuilevu Housing) employ around 300 locals and 50 Chinese employees. The locals are employed mainly as casual laborers while the engineers and top ranked officials of the project are from China (Xinhua, 2020, October 15). Attempts to get more statistics on the local versus Chinese composition of the labor force in these 28 China Railway projects have been futile as the officials manning the local office of this company were tight lipped and reluctant to provide details to this author.

Aid in kind in the form of donations and technical assistance during this period included three batches of sewing machines: 2010 (650 sewing machines valued at US\$118.15k by the All-China Women's Federation), 2011 (1000 sewing machines), and 2016 (600 sewing machines valued at US\$61,680) to the Fijian Ministry of Women and Poverty Alleviation for distribution to rural women's groups throughout Fiji for their economic empowerment. This aid in kind for rural women dovetailed with the Fiji First government's rhetoric on rural women's economic empowerment and gender equality. Equipment for the Fiji Police Force (FPF), funded by the China Ministry of Public Security, was also disbursed to Fiji in three tranches: 2014 (worth US\$471,150), 2015 (US\$941,690), and 2017 (US\$325,080/FJ\$670,000). China went a step further to station some of its senior police officers at the FPF headquarters, saying that this was to help strengthen the FPF's security and policing. This caused resentment among some of the local police officials who regarded this

Table 3. China's development loans to Fiji, 2009-2017.

Concessional Loans for:	YP	YC	Value RMB / USD\$	Funding Source	Contractor(s)
Public Housing Tacirua Stage 2 & Nepani Stage 2	2009	Compleat. unclear	RMB 134.3 million /US\$23.99 million	China EXIM Bank	China Railway First Group
Public Housing: Raiwai PRB Flats*	2010	2018	FJ\$22 million	China EXIM Bank	China Railway Frist Group
Dreketi-Nabouwalu Road Upgrading	2012	2015	RMB 642.4 million /US\$103.72 million	China EXIM Bank	China Railway 1 st Group
Sigatoka Valley and Sawani-Serea Road Upgrading	2010	2014	RMB\$325.9 million /US\$58.21 million	China EXIM Bank	China Gezhouba Group Company Ltd. (CGGC): SOE
Buca Bay & Moto Road Upgrade	2010	2015	RMB 365.9 million /US\$65.35 million	China EXIM Bank	China Railway 1 st Group
Non-Concessional Loans for:	YP	YC	Value RMB / USD\$	Funding Source	Contractor(s)
Nadarivatu Hydropower	2009	2012	US\$70 million by China Development Bank [7.5% interest]; US\$50m by FEA & US\$30m by ANZ	Co-financed by China Development Bank & ANZ	Sino Hydro Corporation Ltd. (SOE)

YP = Year Pledged, YC = Year Completed. *Source:* China.AidData.Org, 2022.

insertion as intrusive and uncomfortable. Nonetheless, this is perhaps one of the rare instances where China has provided aid in kind outside the parameters of Fiji's aid requests.

Many other donations were made by China during this period and these were labeled as humanitarian aid for post cyclone rehabilitation as well as for mitigating the impacts of COVID 19 in Fiji (China.AidData.Org, 2022). Cultural cooperation (non-economic tool of soft power diplomacy) is another dimension of the Sino-Fiji diplomatic relations. China has sponsored Fiji students including civil servants through scholarships for studies at Chinese universities. The setting up of the Confucius Institute at the University of the South Pacific in 2006 and the participation of Fijian cultural groups at cultural expositions in China were part of this cultural cooperation between Fiji and China (Zhang, 2015).

[Table 3](#) summarizes some of the major Chinese loan-funded projects in Fiji 2009-2017.

It is worth noting that most of the concessional loan packages provided by China to Fiji (some of which are tabulated above) carried no guarantee and no insurance components. This is concerning because loans should be insured with collateral in the form of guarantees. Questions about debt-trap diplomacy can arise regarding this anomaly. Nonetheless, China likes to tout that its concessional loans to Fiji and other island states in the Pacific are benevolent with no strings attached. By 2015, Fiji's total loans from China stood at FJ\$521 million, making up 38% of Fiji's total external debts (Whiteside, 2015). In terms of concessional loans outranking grant aid, the total value of grants between 2006 and 2020 was US\$112.4 million while the total value of

concessional loans for the same period was US\$314 million (Urhova, 2021, p. 25). This underscores a more commercial orientation in China's aid to Fiji from 2006 to 2020.

In terms of Fiji's agency and anticipatory geographies, all the major projects funded by China's grant aid and concessional loans were already conceptualized and targeted in Fiji's development policies and frameworks. In his Fiji Day Speech to the Fijian diaspora in Sydney in 2017, Bainimarama (2017) highlighted his government's vision for modernizing Fiji and an important target was to develop new infrastructure and improve existing ones:

Our development agenda has seen a massive push for the expansion of infrastructure and essential services throughout Fiji. Because we need to open up our communities to the rest of their country, to our region and to the world. We need every Fijian to have access to reliable roads, bridges, ports and jetties so they can bring goods to market, visit with family and friends and seek new opportunities.

This speech articulates the agenda set by Fiji for various China-funded roads, bridges, and other infrastructure upgrades throughout the nation since 2014.

China's FDI into Fiji 2006-2019

Mainstream narratives about China's increased presence in Fiji highlight that the level of private sector investments by Chinese nationals and companies has significantly increased since 2007 with an influx of Chinese private sector investors mainly in the retail (including real estate) and services sectors. However, contrary to the hyped up hard sell by the Fijian government on China's FDI to Fiji since 2007, real figures (see [Figure 1](#)) indicate that FDI inflows to Fiji from China have remained relatively low at an average total of around US\$10 million between 2005 and 2009, with a significant fluctuation from 2011 to 2015. China's FDI inflows to Fiji peaked in 2012 (US\$68.32 million) then fell sharply to minus US\$32.16 million in 2014 before rising back to around US\$40 million in 2016. Chinese FDI in Fiji has since 2017 plummeted to slightly less than US\$20 million, remaining at that level from 2017 to 2019. Statistics on China's FDI inflows to Fiji since the onset of the COVID-19 pandemic in 2020 are yet to be made available by Investment Fiji. Furthermore, it should be kept in mind that figures provided by Investment Fiji on the levels of Chinese investments into the Fijian economy capture registrations of investments and not actual expenditures or investments at dollar value on the ground. [Figure 1](#) provides a snapshot of China's FDI flows to Fiji between 2003 and 2019.

[Figure 1](#) shows a second spike in 2016 with 45% of the total investment projects registered by Investment Fiji in the first six months of 2016 being those by Chinese nationals and companies (Fiji Sun, 2020, January 17). Fluctuations aside, there was an uptake in the total number of projects registered by Chinese nationals and companies annually from 25 to 172 in 2016 (Investment Fiji, 2017). What needs noting is that the total number of projects registered by

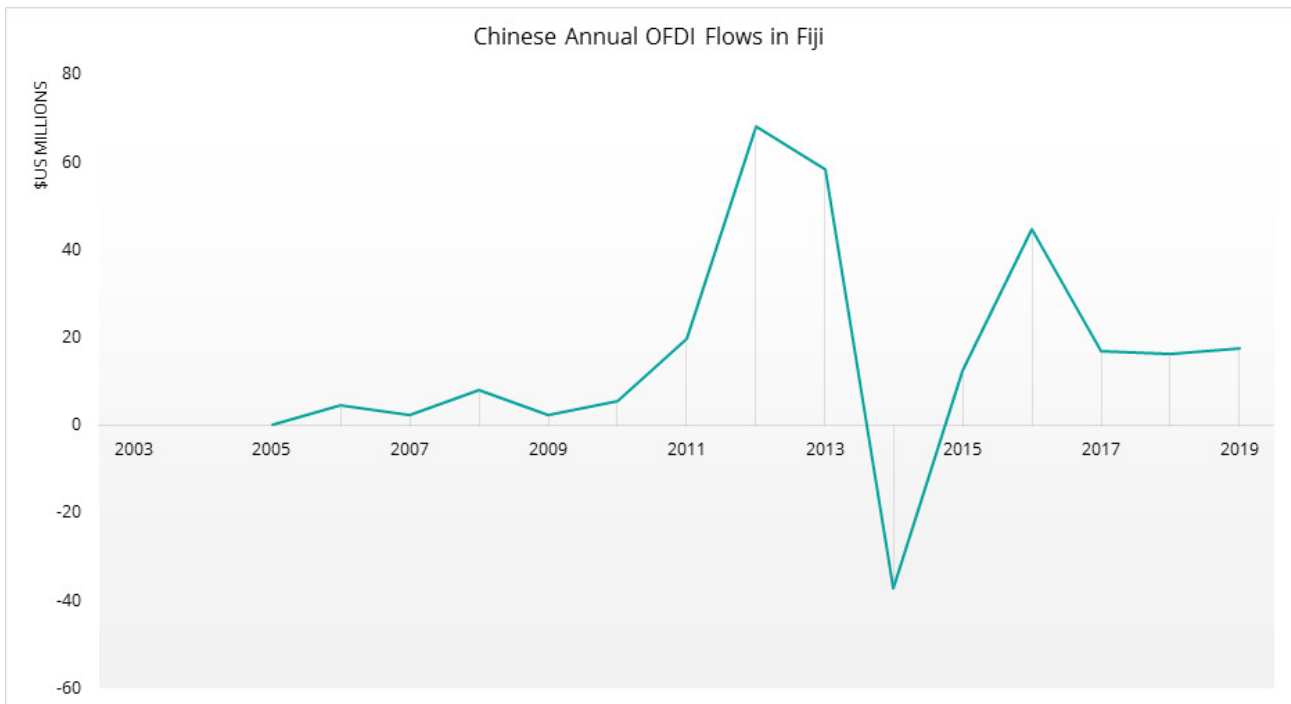


Figure 1. China's annual FDI flows to Fiji, 2003-2019.

Source: Zhang, 2021.

Investment Fiji annually should not be confused with the actual investments in Fiji by these companies. For instance, Minister for Trade, Mr Faiyaz Koya, admitted in an interview during an inaugural Fiji-China Business Exchange Summit in July 2016, that although the number of Chinese investors registering their interest with Investment Fiji has been increasing, the real “total value of Chinese implemented projects represented only 18 percent of the total value of all the projects implemented in Fiji” (Fiji Government, 2016).

A new Nalagi Hotel in Nadi was built by another locally registered Chinese company, Pincheng Investment (Fiji) Ltd, a subsidiary of Dongcheng Investment Company PTE Limited from Zhejiang Province, China. This project was completed without a hitch, unlike other multimillion dollar investments by Chinese companies. Among the problematic multimillion dollar investments by Chinese companies is the \$FJ115 million (\$US54.412 million) 30-level (2 levels built underground) complex funded by a locally registered Chinese company, WG International Real Estate Co. (WGIREC), within Suva's Central Business District (CBD). In June 2019, a stop work order was issued by the Suva City Council against WGIREC, to cease all construction work on the 30-level Friendship Plaza after the adjoining Holy Trinity Anglican Primary School management complained to the Suva City Council that the new high-rise structure was encroaching on their boundaries. The then-Minister for Local Government stated that this encroachment was unlawful. This followed concerns raised in 2018 about the sub-standard quality of construction materials used by WGIREC (Vacala, 2019).

In April 2020, another locally registered Chinese company, resort developer Freesoul, was found guilty and copped a fine of FJ\$1.4 million on two counts of undertaking illegal development on Malolo Island in Fiji, where it destroyed mangrove trees and extensive parts of the reef surrounding the island to create a boat channel (Fennell et al., 2022). It is hoped that these cases have highlighted to the Fijian government the need to step up stringent regulatory controls on Chinese investors to minimize the downsides of Chinese FDI s in Fiji. Investors from mainland China also need to (a) more closely align their projects to the SDGs and (b) work closely with Fiji's Ministry of Environment when their project may involve environmental re-engineering. On the flip side, China's FDI to Fiji can enhance levels of investment as a percentage of the GDP if profit repatriation is minimized and local resources including labor are employed more. As of 2020, there were about 30 Chinese construction companies working on various projects in Fiji. While there has been much fanfare about increased Chinese aid and FDI flows to Fiji by the Fijian government and the local media, the real benefits as well as levels of FDI profit repatriation to China are yet to be analyzed. Nonetheless, China is now the largest source of foreign direct investments in Fiji (Xinhua, 2016).

China's burgeoning trade with Fiji: 2006-2019

Trade between China and Fiji post-2006 has burgeoned with Fijian imports from China soaring from FJ \$210 million in 2010 to FJ\$623 million in 2014 and Fijian exports into China increasing from FJ\$5 million in 2010 to FJ\$37 million in 2014 (Lyu, 2011; Property.com.fj, 2017). This escalation of trade between China and Fiji is ensconced in the larger trajectory of China's soaring trade with the Pacific as a region. China's trade with the eight island states with which it has diplomatic ties, increased from US\$249 million to us\$1.767 billion: a seven fold hike between 2006 and 2017. To facilitate its growing trade relations with the eight Pacific island states, China established the China-PIF Cooperation Fund (CPIFCF) in 2000, opened a PIF Trade Office in Beijing in 2002, and set up the China-Pacific Island Countries Economic Development and Cooperation Forum (CPICEDCF) in 2006. China also forged close relations with the Melanesian Spearhead Group (MSG) at around the same time. These economic and financial initiatives provided the platform for China's FDI and trade with the Pacific. Then in 2015, China established the Asian Infrastructural Investment Bank (AIIB) to further ease its FDI and trade with the Pacific and other regions of the globe (Zhang, 2015).

Singapore has become the largest source of Fijian imports (US\$506 million in 2019), followed by Australia (US\$395 million) and France (US\$386 million). China's volume of imports (US\$348 million) to Fiji was slightly more than that of New Zealand (US\$341 million) and four times more than that of the U.S. (US\$63 million) (Export Genius, 2021b). The U.S. is still the biggest market for Fijian exports, purchasing 22% (US\$227 million) of Fiji's total exports in 2019 with Australia and New Zealand taking a combined 20.1% (US\$209 million) of Fiji's total export in 2019 (Export Genius, 2021a). While Fiji's exports to China have significantly increased from FJ\$3.3 million

Table 4. Comparison of import expenditure and export revenue for Fiji and its top five trading partners 2019.

Trading Partner	Source of Fijian Imports (USD)	Market for Fijian Exports (USD)	Balance of Payment (USD)
U.S.A	\$79m (2.9%)	\$227m (22%)	+\$148 million
Australia	\$395m (14.5%)	\$132m (12.8%)	-\$263 million
NZ	\$341m (12.5%)	\$75m (7.3%)	-\$266 Million
Singapore	\$506 million (18.5%)	-	-\$506 million
China	\$348 million (12.7%)	\$37 million (3.6%)	-\$311 Million

Source: Data derived from Export Genius, 2021a, 2021b.

in 2006 to FJ\$80.7 million (or US\$37 million) in 2019, China's market share of Fijian exports in 2019 (US\$37 million) accounted for only 3.6% of total Fijian exports, still far below that of the U.S. Nonetheless, when comparing these figures to China's sourcing of Fijian imports in 2019, it becomes clear that the Australia-Fiji, New Zealand-Fiji, and Sino-Fiji trade relations still remain unequal in favor of Australia, New Zealand, and China. Media hype over Singapore and Fiji relations has increased in the last three years (2020-2022) and this may signify a redrawing of Fiji's agenda on the geoeconomic front at the regional level.

[Table 4](#) summarizes Fiji's Balance of Trade with its top five trading partners as of 2019.

[Table 4](#) provides a snapshot of Fiji's balance of payment issues with five of its top ten trading partners. Fiji's trade deficit through its trade with China and Singapore stands higher than the deficit accrued from its trade with New Zealand and Australia. The U.S. is still Fiji's most benevolent trading partner whereas its top two Asian trading partners are the largest contributors to its trade deficit. Fiji currently exports wood chips, fish, tuna, seaweed, mineral water and vegetable products to China while China's main exports to Fiji include machinery, vehicles, garments, footwear, iron, steel, furniture food products. While export earnings from its trade with China have increased from FJ\$1.3 million in 2000 to FJ\$135 million in 2014, Fiji's expenditures on imports from China sharply increased from FJ\$34 million to FJ\$624 million over the same 15-year period. Fiji's trade deficit with China has therefore soared from FJ\$32 million in the year 2000 to FJ\$490 million in 2014 (Whiteside, 2015). Speaking at the 40th anniversary celebration of the establishment of diplomatic relations between China and Fiji in Suva in 2015, then-Governor of Fiji's Reserve Bank, Barry Whiteside (2015), tried to pin Fiji's disadvantage in this unequal exchange relations to Fiji's inability to meet the "large market demand from China."

Conclusion

This paper has made an effort to place the current presence of China and the narratives relating to its expansive Pacific policy in a broader historical perspective. This perspective also underlines the agency of the island states, particularly Fiji, in their soft power relations with China to offset an alternative narrative that presumes the island states as only 'passive' aid recipients.

In providing some statistical insights on Fiji's trilateral engagements with China, this paper has tried to highlight that China's trilateral engagements with Fiji have been hyped up by both local and foreign media. The real levels of China's FDI and trade with Fiji as indicated by statistics is much lower than the inflated levels of the same portrayed by the media and government officials on both sides. This variance could be due to a tendency to count pledged aid as aid actually dispensed whereas the real dollar value of aid dispensed could be less than the pledged amount. It could also be due to a misrepresentation of the number of FDI registrations by Chinese companies as the actual number of investments carried out on the ground. Project completion reports would carry more reliable statistics on the real dollar value of aid disbursed to recipients.

What this paper has tried to do is to highlight that Fiji does have agency when it comes to brokering aid from donors and that this agency is complimented by the anticipatory geographies embedded in national development plans and government speeches. The anticipatory geographies of Fiji's Look North policy and the BRI narrative have not only contributed to a sensationalism of China's aid to Fiji by the local media and its overseas counterparts, they also embody Fiji's agency as a sovereign island state seeking to draw support from the Fijian population for the Fiji First government's state-driven development and economic growth efforts. Speeches by the Fijian government and Chinese officials at various diplomatic and economic fora have dovetailed into these anticipatory geographies. In his speech at the UN Assembly (UNGA77) in September 2022, Bainimarama articulated his government's anticipatory geographies:

Thousands of Fijian households have gained access to electric power for the first time—propelling electricity access in the country upwards of 96%. We have replaced or outright built dozens of bridges and crossings and lit up the country with thousands of new streetlights. We have built, upgraded, or rehabilitated close to 1,000 kilometers of roads. Poverty is falling, incomes are rising. (Bainimarama, 2022)

This is the type of rhetoric that has been touted regularly by the Fijian government to garner the people's mandate. Constant references to a 'win-win' relationship and benevolent aid from China have served to promote a message of hope in the face of growing international hysteria over China's growing presence in the Pacific. Fiji's anticipatory geographies *a la* Look North policy and BRI participation may appear to encapsulate the island nation's resilience and ability to actively commandeer its diplomatic and aid relations with aid donors of its own choice. However, this agency can produce both positive and negative results. On the upside, Fiji's agency can enhance its leadership of the Pacific islands as a collective whereas the soft diplomacy approach (non-interference in the island state's politics) by donors like China can lessen Fiji's

commitment to representative democracy and good governance. This is the catch-22 in Fiji's anticipatory geographies and China's soft power approach to Fiji.

While China's soft power approach to Fiji may appear benevolent in the early phases, the geoeconomics of Fiji's South-South tango with China has been an unequal one in favor of China. It needs noting however, that Fiji, like other island nations in the Pacific, has economies of scale that disadvantages it when trading with major donors. Fiji already had decades of unequal trade relations with Australia and New Zealand before China came into the picture. Nonetheless, Fiji's trade deficits to China and Singapore have now surpassed its trade deficits to Australia and New Zealand.

There is debate as to whether Fiji's debt levels to China are concerning. While the Governor of the Reserve Bank in 2015 highlighted that Fiji's debt to China constituted 38% of Fiji's total external debt, the former Minister of Economy, Aiyaz Khaiyum, claimed in 2018 that Fiji's debt to China only comprised around 10.6% of Fiji's total government debt or 35.7% of Fiji's total external debt (Fijian Government, 2022; Lacanivalu, 2018). Total debt refers to both domestic and foreign/external debt with the latter comprising 30% of the total debt while domestic debt constitutes 70% of the same. Seen in this light, rhetoric about Fiji's growing debt to China appears to be politicized. Nonetheless, students at the Fiji National University also voiced their concerns over Fiji's growing debt to China at a meeting with Khaiyum on 24 June 2022. He responded to these students claiming that Fiji's last loan from China was taken in 2007 and that this loan had been repaid by in 2012. This paper clearly shows that Fiji continued to receive concessional loans from China's EXIM Bank after 2007. The Pacific Aid Map (Lowy Institute, 2023) currently shows China as the largest of Fiji's top three lenders (the ADB and Japan being the other two); with Fiji's debt to China at AUD \$21.98 million, Japan at AUD\$19.14 million, and the ADB at AUD\$2.47 million. Nonetheless, as it currently stands, Fiji's debt to China does not yet warrant alarmist references to debt-trap diplomacy (Waqairadovu, 2022).

In the long run, Fiji will need to mitigate the negative impacts of aid and FDI from China because profit repatriation through Chinese aid and FDI as well as the flouting of local workmanship standards by Chinese contractors can produce a myriad of problems for the local population. In terms of Fiji's constraints in tapping China's markets, the Fijian government needs to (a) relook Fiji's participation in the BRI to ensure that the infrastructure upgrades funded by China will truly enhance Fiji's export capabilities, and (b) diversify its export base to capture a greater share of the Chinese market.

This paper has focused on Fiji's agency and anticipatory geographies in its discussion of China's soft power approach to Fiji to highlight the geoeconomic dimension of China's presence in Fiji. In spotlighting Fiji's agency and anticipatory geographies, the paper demonstrates Fiji's capacity to maintain its sovereignty by not becoming too beholden to China through a debt trap. Despite its drawbacks, China's aid to Fiji has helped upgrade and revamp some

major infrastructures around the country. China's FDI too has helped raise Fiji's levels of total investment as a share of the GDP. More island-centered and island-agency studies are needed to provide a better understanding of China's growing presence in the Pacific.

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