



RCAS Commentary

Blue Pacific Alignment is Blue Sky

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About RCAS

RCAS is a non-profit research organization focusing on the maritime issues and regional integration in the Indo-Pacific region. It is a newly-established institution founded in February 2022 by Dr. Nian Peng, in Haikou, China. We, at the moment, have an international research team with resident/non-resident researchers from China and other Asian states.

RCAS seizes the opportunity that China is building Hainan Free-Trade Port in which the Hainan Island will become an important window for China's opening up to the Pacific Ocean and the Indian Ocean to become a leading research institute and think tank on maritime affairs in the Indo-Pacific region. So far, RCAS focuses on the maritime disputes and maritime cooperation in the Pacific Ocean and the Indian Ocean, and various regional cooperation mechanisms such as BRI, LMC, RCEP and so on. It is committed to promoting the maritime cooperation, regional integration and academic exchanges in the Indo-Pacific region at large.

RCAS has received a number of research funding from universities and foundations, and conducted research programs of the South China Sea(SCS) dispute, China-South/Southeast Asian relations, BRI in South/Southeast Asia, terrorism/anti-terrorism in Afghanistan, and so on. RCAS researchers have won various awards from the Chinese Ministry of Commerce and the Hainan government.

RCAS has published nearly 10 books in Chinese and English, and more than 20 papers on SSCI/SCOPUS/CSSCI-indexed journals. Recent English publications include *Populism, Nationalism and South China Sea Dispute: Chinese and Southeast Asian Perspectives*(Singapore: Springer Nature, 2022); *Crossing the Himalayas: Buddhist Ties, Regional Integration and Great-Power Rivalry*(Singapore: Springer Nature, 2021); *The Reshaping of China-Southeast Asia Relations in Light of the COVID-19 Pandemic*(Singapore: Springer Nature, 2021); *International Pressures, Strategic Preference and Myanmar's China Policy since 1988*(Singapore: Springer Nature, 2020); *Managing the South China Sea Dispute: Multilateral and Bilateral Approaches*(2022); *Hedging Against the Dragon: Myanmar's Tangled Relations with China since 1988*(2021); *The Budding Indo-Myanmar Relations: Rising But Limited Challenges for China*(2019).

RCAS has also published hundreds of articles and been interviewed in various local and international media outlets such as Asia Centre in France, *The Diplomat* in the United States, *East Asian Forum(EAF)* in Australia, *Bangkok Post* in Thailand, *Lian He Zao Bao* and *Think China* in Singapore, *South China Morning Post(SCMP)* and *China-US Focus* in Hong Kong, *CGTN* and *Global Times* in China. RCAS researchers have actively participated in international conferences or study visits in the US, India, Pakistan, Sri Lanka, Nepal, Myanmar, Cambodia, and other places. Welcome to visit our website: <http://www.rcas.top>.

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The United States, Australia, Japan, New Zealand and the United Kingdom recently aligned as Partners in the Blue Pacific, or PBP, an informal multilateral organization focusing on the South Pacific. According to a joint statement from the five nations, the PBP will provide financial assistance to Pacific Island countries such as Fiji and Samoa, and consolidate their economic ties with the world to promote economic and diplomatic relations.

Although the rhetoric is high-flown, observers believed the main target of the PBP is China. In other words, this is a direct response from the United States and its allies to the recent warming relationship between China and Pacific Island countries. The aim of the PBP is to curb China's fast-growing influence in the South Pacific.

Actually, the United States has continuously hyped normal cooperation between China and the island countries in recent years, accusing China of pursuing military purposes. In addition, to monitor and deter China's military actions in the Pacific, the U.S. organized the Five Eyes Alliance with United Kingdom, Canada, Australia and New Zealand for intelligence sharing, along with the AUKUS alignment of the U.S., United Kingdom and Australia for closer defense cooperation.

But how far can the PBP go? Satyendra Prasad, ambassador and permanent representative of the mission of Fiji to the United Nations, said the relationship between the Pacific Islands and Washington must be "highly predictable" and not "stop and go." In fact, before any relationships between China and Pacific Island countries warmed up, the United States had decreased its engagement. The U.S. lacked a strong motivation to develop close relations in the Pacific.

On one hand, Pacific Islands occupy a weak position in America's global strategy. In the U.S. Strategic Framework for The Indo-Pacific, which was declassified by the U.S. State Department of in January last year, the Pacific Islands get only brief mention. To the U.S., they are not as important as Southeast Asia and South Asia, which have clear objectives and detailed actions in the framework.

On the other hand, the economic ties between the United States and Pacific Island countries are loose, and the foundation is weak. Far away from the main economic centers of the world, the underdeveloped islands have seen a rapid decrease in trade and investment connections with the United States.

According to the office of the U.S. Trade Representative, total trade in goods between the United States and Pacific Island economies was \$968 million in 2020. That same year, China's trade was \$9.04 billion, nearly 10 times greater. According to the U.S. State Department, total U.S. investment in the Pacific Islands was \$558 million in 2020, while China invested \$884 billion in the same period.

In addition, the Pacific Islands rely heavily on foreign aid. Since the implementation of the Belt and Road Initiative, China has become the second-biggest foreign donor after Australia. Meanwhile, the United States has sharply decreased its economic assistance over the past decade.

Given the low strategic position and little economic benefit, the United States has pretty much ignored the Pacific Islands for a long time. That's why Prasad complained about the stop-and-go relationship with the United States. But now the United States wants to curb China's rising influence in the South Pacific by creating the PBP-which may not be sustainable. First of all, the United States has initiated a number of multilateral mechanisms such as the recently released Indo-Pacific Economic Framework, which consumes financial resources to the point that little will be left for the PBP. Second, the PBP is so far just a concept, not a concrete plan with clear

and operable road map. Third, the actual effect of PBP depends on whether the project can meet the needs of Pacific Island countries.

As most of those countries are high risk, debt distress states, their top priority is to pursue debt relief or foreign aid. Given the slow economic recovery from the COVID-19 pandemic, the United States is unlikely to provide significant assistance to the Pacific Islands. Once it cannot satisfy their needs, it will be difficult for the PBP to succeed. Additionally, because of the big gaps in trade, investment and aid, the United States will have difficulty catching up with China and attempting to drive a wedge.

Finally, since Pacific Island countries stand to get benefits from both China and the United States, the best choice for them is to maintain normal cooperation with both, rather than taking sides.

The PBP will intensify competition between China and the United States in the South Pacific in the coming years. But it will not disturb the friendly relations between China and the islands.

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About Author



Nian Peng is the Director of Research Centre for Asian Studies, Haikou, China. He holds a Ph.D. in Government and International Studies at Hong Kong Baptist University. His main research interests are in the areas of China-Southeast/South Asia relations, Belt and Road Initiative (BRI) and maritime security of the Indo-Pacific. He authored five books-*Populism, Nationalism and South China Sea Dispute: Chinese and Southeast Asian Perspectives*(Springer Nature, 2022), *Crossing the Himalayas: Buddhist Ties, Regional Integration and Great-Power Rivalry*(Springer Nature, 2021), *The Reshaping of China-Southeast Asia Relations in Light of the Covid-19 Pandemic*(Springer Nature, 2021), *International Pressures, Strategic Preference, and Myanmar's China Policy since 1988* (Springer Nature, 2020) and *Leng Zhan Hou Yin Mian Guan Xi Yan Jiu [A Study on Indo- Myanmar Relations after the Cold-War]*(Shi Shi Chu Ban She [Current Affairs Press], 2017). His refereed articles have been notably published in *Ocean Development and International Law*, *Pacific Focus*, *Asian Affairs*, *Dong Nan Ya Yan Jiu [Southeast Asian Studies]*, *Nan Ya Yan Jiu [South Asian Studies]* and *Nan Ya Yan Jiu Ji Kan [South Asian Studies Quarterly]*. He also contributes his perspectives to many think tanks and various local and international media outlets such as Asia Centre in France, *East Asian Forum* in Australia, *The Diplomat* in the USA, *Bangkok Post* in Thailand, *Lian He Zao Bao* in Singapore, *South China Morning Post* and *China-US Focus* in Hong Kong, *Global Times* and *CGTN* in China.