CANADIAN GLOBAL AFFAIRS INSTITUTE
INSTITUT CANADIEN DES AFFAIRES MONDIALES

Oceania and Canada: Building Bridges in the Free and Open Indo-Pacific

by Cleo Paskal

March 2021

POLICY PERSPECTIVE

OCEANIA AND CANADA: BUILDING BRIDGES IN THE FREE AND OPEN INDO-PACIFIC

by Cleo Paskal

March 2021

CANADIAN GLOBAL AFFAIRS INSTITUTE
INSTITUT CANADIEN DES AFFAIRES MONDIALES

Prepared for the Canadian Global Affairs Institute
1800, 150 – 9th Avenue S.W., Calgary, AB T2P 3H9
www.cgai.ca

ISBN: 978-1-77397-176-6

As Canada formulates its own Free and Open Indo-Pacific policy that supports its interests, engages on development, and promotes a rules-based order in the region, Ottawa will have to decide how to balance between bolting on to the existing structures and approaches of allies and partners versus trying to find niches that are uniquely Canadian.

An example of bolting on was the recent Sea Dragon 2021 Quad (United States, India, Japan and Australia) Plus Canada anti-submarine warfare exercise in Guam. It is important that Canada show willingness and ability to work with allies and partners, but from the point of view of countries in the Indo-Pacific, there was little uniquely Canadian about the engagement.

In contrast, remnants of an example of Canada engaging effectively bilaterally can still be seen in the Kingdom of Tonga in the Oceania sector of the Indo-Pacific. Years ago, when Canada had a different approach, it prioritized human security infrastructure. In Tonga, Canada partnered with local communities to build much-needed water tanks that still today sport the maple leaf and keep families more secure. It was a practical Canadian approach that worked.

Today, Canada's approach to aid in Tonga seems influenced in part by New Zealand's approach (Canada doesn't have direct diplomatic representation in Tonga; it is managed out of the Wellington High Commission). The projects tend to be more about social issues, and most Tongans would be hard pressed to identify anything uniquely Canadian about the engagement.

The same is largely true across Oceania. Canada does engage – it is a Dialogue Partner of the Pacific Islands Forum, supports community-based projects across the region through the Canada Fund for Local Initiatives, and is a donor for the Global Environment Facility (to date it has approved $15 million USD for projects in Vanuatu to support initiatives of climate adaptation and resilience). It also works with Vanuatu, the Solomon Islands and elsewhere through the Trade Commissioner Service at the High Commission of Canada in Australia and contributes to the Pacific Catastrophe Risk Assessment and Financing Initiative, which provides Vanuatu with disaster risk assessment and financing tools, including sovereign risk insurance.

Additionally, Canada provides long-term institutional support to multilateral and global organizations that are present in the Pacific and has forged a partnership with UN Women to provide funds to implement the Pacific Islands Markets for Change Project, supporting female merchants in Vanuatu and the Solomon Islands by ensuring that markets provide safe, inclusive, and non-discriminatory environments. In the Solomon Islands, the High Commission of Canada in Australia focuses on several areas of cooperation including but not exclusive to gender equality/women's empowerment projects and climate change initiatives. Moreover, Canada and the Solomon Islands also share interests the fishing industry and are party to the United Nations Fish Stocks Agreement.

While not an exhaustive list of Canadian activities in the region, Canada's approach seems to work in familiar ways, with the stated goals of building social, economic, political, and environmental resilience and sustainability in the region and of supporting institutions that are considered transparent, robust, and rules-based for promoting sustainable development.

This resonates with the "Free" and "Open" Indo-Pacific Visions that several states including Japan are promoting to help build a more prosperous and stable region. And while important, and many aspects are worth continuing, they are hard to identify as uniquely Canadian, or unique to Oceania. This is cookie-cutter engagement and on the ground Canadian projects are difficult to distinguish from what comes from many other, often larger and more visible, partners.

Dovetailing with allies and partners is essential, but it is also worth considering if there are areas where Canada might be able to offer something unique – something that ultimately will be more helpful to allies and partners to support the Free and Open Indo-Pacific concept while at the same time is more directly about Canada finding its own way to engage with the region, for the benefit of all concerned.

Oceania

One way to start thinking about a new way to engage is to assess Oceania on its own terms in order to see where the deeper compatibilities lie. Broadly, Oceania is the vast area in the triangle with Hawaii, Japan and New Zealand at the points. Its estimated 10,000 islands are grouped in around 20 countries, territories and freely associated states. Given that each inhabited island can claim up to a 200-nautical mile exclusive economic zone, some of the countries of Oceania cover large parts of the Pacific – they often refer to themselves not as small island states, but large ocean states.

From a Western security perspective – and especially from a Five Eyes perspective – the main countries of Oceania are politically roughly divided into three areas, Melanesia (Fiji, New Caledonia, Papua New Guinea, Solomon Islands and Vanuatu), Polynesia (Cook Islands, French Polynesia, Niue, Samoa, Tonga and Tuvalu) and Micronesia (Kiribati, Marshall Islands, Federated States of Micronesia, Nauru and Palau). Broadly, Australia tends to take the Five Eyes lead in Melanesia, New Zealand in Polynesia and the U.S. in much of Micronesia.

Japan is highly aware of the strategic importance of the region and engages comprehensively in a range of ways to bolster regional security and prosperity. This has gained urgency in the context of expansion into the area by China, which has very different goals for the region. While an area of special focus for Tokyo is Micronesia, and especially Palau, Japan has a large number of diplomatic missions across Oceania, funds a range of well-targeted infrastructure projects, runs practical training programmes, convenes high-level meetings (including of regional Defence Ministers) and hosts the regular Pacific Islands Leaders Meeting (PALM).

For Japan, the pillars of its comprehensive engagement in the region are articulated in "PALM8" as supporting a free, open and sustainable maritime order, resilient and sustainable development and human resource development, and people-to-people exchange. Tokyo has been very good at finding Japan's niche in the region – while it supports allies and partners where appropriate. As a result, the people of the region know, and appreciate, Japan's low key, effective partnership. It is something from which Canada can learn.

Especially as there are currently two complicating trends in Oceania. First, China is making rapid inroads across the region (economic, political and strategic). Second, as a result of a longstanding feeling of marginalization in the main regional body, the Pacific Islands Forum (PIF), the five Micronesian countries have said they will withdraw from the PIF.

These events have raised questions about Australia's and New Zealand's effectiveness in providing the countries of Oceania with options preferable to China, as well as questions about Canberra's and Wellington's ability (or willingness) to provide allies accurate assessments of what is going on in the area. When the Solomon Islands and Kiribati – both the sites of major battles during the Second World War – switched recognition from Taiwan to the PRC in 2019, it was a wake-up call.

What is happening at the PIF – which one Micronesian leader directly attributed to Australian and New Zealand actions – added the extra element of giving the impression that Canberra and Wellington were fine with politically fracturing Oceania into two regions, a South Pacific (Melanesia and Polynesia), where they held a privileged position, and a Central Pacific (Micronesia) where the U.S. and Japan would focus.

Add to this France's large territories in the region, in particular New Caledonia (Melanesia) and French Polynesia (Polynesia). In the PIF debacle, France (in the form of French Polynesia) seemingly sided with Australia and New Zealand against a solution that would have ensured keeping U.S.-affiliated countries in the PIF.

Japan, as mentioned above, prefers a regional approach with like-minded countries that is comprehensive, rules-based and focuses on its FOIP vision. This is embodied in PALM, which includes the Pacific Island countries, Australia, and New Zealand. However, Tokyo is also concerned about the implications of a fracturing of the PIF, and strategically may end up much closer to the U.S. in Micronesia, even while trying to maintain its position in the South Pacific.

The result is that Oceania is strategically fraught internally among allies, at the same time that Beijing is actively trying to gain influence as it tries to jump beyond the first island chain and establish de facto beachheads (initially economic and political, but with strategic potential) in Oceania that could permit it to exert pressure from all sides on Taiwan, Japan, the U.S., the Philippines and elsewhere.

A Unique Role for Canada?

So, what does all this mean for Canada? The easy way is to just continue with the current bolt-on approach. However, if Ottawa wants. there are several ways Canada can play a unique role in the region to support a rules-based order and contribute to the promotion of a truly Free and Open Indo-Pacific region, and several reasons why it should.

Why Canada should prioritize the Oceania part of the Indo-Pacific:

- Geographically, the countries of Oceania are some of Canada's closest Indo-Pacific neighbours. The Canadian navy passed through parts of Oceania on its way to Sea Dragon in Guam, which is also part of Oceania.
- Canada has expertise and markets in several of the areas of economic development Oceania has prioritized (fisheries, mining and agriculture).
- Geopolitically, Oceania is currently in strategic flux. It less congested than some other zones in the Indo-Pacific, leaving more room for a relatively new actor to be helpful, even with a relatively small footprint.
- Traditional relationships with partners are not delivering for the people of the region, as seen by the fracturing of the PIF and the gains by China.
- Most countries are currently stable, relatively well educated and democratic. A little bolstering now can help keep them that way and buttress their strategic autonomy so they are less prone to the side effects of great power competition. If things go wrong, it will be much harder to get back to where we are now and at great cost to the people of the region.
- Oceania contains a lot of votes in international forums, something that Canada sporadically considers important; for example, around the UN Security Council votes.

There are many reasons to engage, and there are also many unique ways Canada can do it. Here are two:

First, there are cultural and historic linkages between the Polynesians and some of the first peoples of Canada; for example, the Haida, making them "cousins". Also, many Canadian First Nations and Inuit leaders know and understand the challenges of tight-knit communities living on small islands, in many cases with complex communal land laws. A knowledge-exchange program between First Nations and Inuit and the people of Oceania would be groundbreaking. This sort of para-diplomacy would not only highlight the successes and leadership in Canadian communities, it would enable a "family reunion" that could lead to deep and enduring bonds between Canada and the region.

Second, there is clearly a crisis in analysis of the region, as the PIF fragmentation demonstrated. An added challenge is that part of the region has English as a first or second language, while part of it uses French. There is some, but limited, cross-fertilization between the English and French

analysis. Canada, in particular Quebec, might be well placed to set up a global centre of excellence for bilingual Oceania analysis that can host visiting scholars from the region as well as the U.S., Japan, India and elsewhere.

An added facilitator is that French citizens can study for graduate degrees in Quebec at the same low rates Quebecers pay. As a result, a large number of students from French Polynesia and New Caledonia are already studying in Quebec. Also, Canada has little political baggage in the region so can present itself as more objective. Quebec's proximity to Washington and New York (home of UN headquarters where many of the countries of Oceania have resident representatives), at a time when the U.S. and the wider international community are increasingly focusing on the area, is also a benefit.

If a decision is made to prioritize Oceania, there are some logistical elements that would help. Two examples:

Currently, as Canada has sparse on-the-ground diplomatic representation in Oceania, the people of the region largely don't know about opportunities in Canada, or even how to apply for a visa. If Canada isn't going to establish permanent representation, it should at least set up regular diplomatic circuits through the area, providing visa camps and workshops on things like academic and business opportunities in Canada.

Ideally, flights to Canada would be made easier. For example, once a week the Air Canada flight between Auckland and Vancouver could stop in two countries in Oceania along the way.

Unfortunately, likely the biggest resistance to Canada engaging in this way with Oceania will come not from the countries themselves, or China, but from Australia and New Zealand, who tend to jealously guard what one Australian politician called "our patch". Conversely, the U.S. and Japan and others, would welcome Canada filling this niche. Japan in particular is keen to work with like-minded countries that share its FOIP vision, in whole or in part, especially the promotion of a rules-based order.

If Canada is serious about engaging effectively, in a way that benefits not only the people of the region and Canada, but also ultimately allies and partners, Ottawa must be willing to have a difficult conversation with Canberra and Wellington. It should work in consort with Washington and Tokyo to explain that the goal is not to sideline Australia and New Zealand, but to help provide the people of the region with the sort of Stability, prosperity, and strategic autonomy they need to weather the geopolitical storm. Unlike China's version of win-win, that result would truly be a win-win for everyone.

If Canada wants to do more than bolt on, the opportunities to innovate and bring a truly Canadian approach to the region are ready and waiting. All it will take is that rare and valuable element – political will.

About the Author

Cleo Paskal *is an Associate Fellow with Chatham House, London, U.K. (aka Royal Institute of International Affairs) and Non-Resident Senior Fellow for the Indo-Pacific with the Foundation for Defense of Democracies*

Canadian Global Affairs Institute

The Canadian Global Affairs Institute focuses on the entire range of Canada's international relations in all its forms including (in partnership with the University of Calgary's School of Public Policy), trade investment and international capacity building. Successor to the Canadian Defence and Foreign Affairs Institute (CDFAI, which was established in 2001), the Institute works to inform Canadians about the importance of having a respected and influential voice in those parts of the globe where Canada has significant interests due to trade and investment, origins of Canada's population, geographic security (and especially security of North America in conjunction with the United States), social development, or the peace and freedom of allied nations. The Institute aims to demonstrate to Canadians the importance of comprehensive foreign, defence and trade policies which both express our values and represent our interests.

The Institute was created to bridge the gap between what Canadians need to know about Canadian international activities and what they do know. Historically Canadians have tended to look abroad out of a search for markets because Canada depends heavily on foreign trade. In the modern post-Cold War world, however, global security and stability have become the bedrocks of global commerce and the free movement of people, goods and ideas across international boundaries. Canada has striven to open the world since the 1930s and was a driving factor behind the adoption of the main structures which underpin globalization such as the International Monetary Fund, the World Bank, the World Trade Organization and emerging free trade networks connecting dozens of international economies. The Canadian Global Affairs Institute recognizes Canada's contribution to a globalized world and aims to inform Canadians about Canada's role in that process and the connection between globalization and security.

In all its activities the Institute is a charitable, non-partisan, non-advocacy organization that provides a platform for a variety of viewpoints. It is supported financially by the contributions of individuals, foundations, and corporations. Conclusions or opinions expressed in Institute publications and programs are those of the author(s) and do not necessarily reflect the views of Institute staff, fellows, directors, advisors or any individuals or organizations that provide financial support to, or collaborate with, the Institute.