

# **China's development aid to Fiji: motive and method**

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Development aid, also called development assistance, international aid, official development assistance (ODA), or foreign aid, is financial aid given by governments and other agencies to support the economic, environmental, social, and political development of developing countries. In the past, most development aid came from Western industrialized countries, especially from the 28 members of the Development Assistance Committee (DAC), such as the United States, the United Kingdom, Germany, Japan, Canada, Australia, New Zealand and so on. But China, India, Brazil, Russia and other emerging economies have also joined them in recent years. It looks like breaking the tradition in which the Western industrialized countries took the lead in the development aid area and made it as their exclusive domain. Many Western scholars and officials question the motivation and methods of development aid offered by these countries, but in my opinion, it is a symbol of societal progress in the context of globalization. In this article, I will focus on China's development aid to Fiji.

## **The progress of China's development aid to Fiji**

Although it is a developing country with economic difficulties, China has always adhered to international obligations and provided assistance to other developing countries within its capacity since 1950, while adhering to the principles of internationalism. China's aid to Fiji has played a significant role in the economic and social development of that country, though it occurred later than China's aid to Vietnam and North Korea and other socialist countries because of its distance from China and infrequent contact.

China's development aid to Fiji began in the 1970's, but it did not catch people's attention because of its restricted scope. There was increased economic and traded exchange between China and other countries since China adopted a reform and opening-up policy in 1978. It was in 1978 that Ratu Sir Kamisese Mara, the Prime Minister of Fiji, made his official visit to China, the first Fijian leader to do so. Chinese Vice-Premier Chen Muhua visited Fiji in March 1979. China's aid to Fiji also started along with official visit from both sides. China National Complete Plant Export Corporation and the Ministry of Agriculture and Fishery Fiji signed a

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The State Council Information Office, *China's Foreign Aid*, Beijing, People's Publishing House, 2011, p.1.

Memorandum on paddy field project on 29 July 1983, which is the first project that the author can find China's public information.

In April 1985, Hu Yaobang, General Secretary of the Central Committee of the Communist Party of China (CPC), made his visit to Fiji, Australia, New Zealand, Western Samoa and Papua New Guinea. This was an event of far-reaching significance in the history of China and the countries of Oceania, which marked China's relations with these countries. Through this visit, China and Fiji were fully aware that both sides belong to the Third World and have neither a significant conflict of interest nor the legacy of history; both sides should enlarge and deepen economic and technological cooperation on the basis of "equality and mutual benefit, pursuing practical results, adopting various ways and seeking common development."

With this in mind, economic cooperation between the China and Fiji developed and widened, with China's aid to Fiji growing in number and field. China sent three agricultural technology experts to teach Fiji rice planting techniques in 1986, and provided interest-free loans to construct two hydroelectric stations in 1988 and 1989.

In the 1990s, the aid funding and methods were diversified along with the economic system transformation from the planned economy into the socialist market economy, and Areas of focus shifted from agriculture and industry to economic infrastructure, public facilities, education, health care and other fields. As far as aid funding is concerned, not only was it from the Chinese central government, but also from local government at various levels and relevant functional departments. Aid methods included non-reimbursable assistance, interest-free loans and concessional loans (soft loans).

In 2006, Chinese development aid increased considerably. Fiji Prime Minister Josaia Voreqe Bainimarama said that, Fiji had been receipt of direct grant projects, which have numbered more than a dozen to date. There are a lot of reasons for this phenomenon, including establishing and strengthening of the "China-Fiji important cooperative partnership". Chinese Premier Wen Jiabao visited Fiji and talked with his Fiji counterpart Laisenia Qarase on 4 April 2006 in Nadi. After both leaders talked, they issued a joint press communiqué, with both sides committed to respect each other politically, carry out mutually beneficial cooperation economically and support and closely cooperate with each other with international and regional affairs. At the same time, they also signed five bilateral agreements, which included the development of a hydro power station on Taveuni, a technical co-operation agreement

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The preparatory office for a 30-Year History: Exhibition on China's Opening Up Ed. *A 30-Year History: Exhibition on China's Opening Up*, p.188.

Zu qizhen, "General Secretary Hu Yaobang visited five countries in Oceania", *World Affairs*, Vol.7 185, p.2.  
"China, Fiji pledge to establish important cooperative partnership", *Xinhua News Agency*, 04 April 2006.

so that Fiji could make use of Chinese expertise and financial help in areas such as mining, agriculture, forestry and fisheries in order to commercially develop these sectors, loans for e-government, a Government loan from China's import and export bank and a Memorandum of Understanding on cooperation of animal and plant health. Wen is the first Chinese head of government to visit island countries in the Pacific Ocean, which shows the emphasis given by the Chinese side to Fiji. The joint press communiqué marked a new stage of Sino-Fiji relations; the "China-Fiji important cooperative partnership" began.

Another important reason is Fiji's December 2006 coup and changes in the international situation. On the morning of the fifth December 2006, under the leadership of Commodore Josaia Voreqe (Frank) Bainimarama, Fijian armed troops surrounded the offices of government ministers and Prime Minister Qarase's house, then President Ratu Josefa Iloilo signed a legal order dissolving Parliament after meeting with Commodore Bainimarama, and the military of Fiji took control of the government. After the coup, Australia and New Zealand imposed sanction on Fiji because Bainimarama's government was unconstitutional and illegal. Canberra also led international calls for a boycott of the new military regime. In addition, Fiji was suspended from the Commonwealth of former British colonies, and the Pacific Islands Forum, the region's key political and trade bloc.

In this case, China paid attention to Fiji and maintained its full range of aid programmes, On 20 August 2007, the Chinese ambassador to Fiji, Cai Jinbiao, declared that Fiji was still eligible for a share of the nearly 370 million US dollars in aid which China had set aside for Pacific island countries. According to his statement, the political situation was an internal matter for the country. In fact, non-interference in the internal affairs of other countries is a diplomatic principle of China since it established in 1949, but it is also the fundamental principle of foreign aid. In order to strengthen and enlarge Fiji-Chinese relations, Bainimarama adopted the "Look North" policy. Under this policy, cooperation between Fiji and China enlarged and deepened, and China's aid to Fiji increased. According to Bainimarama, after the coup in 2006, "since the start of my administration in 2006, the level of official Chinese development assistance to Fiji has increased considerably", which "has been in the form of direct grant projects, which have numbered more than a dozen to date, "We also have of course taken the opportunity to access Chinese government concessional loans through the Export-Import Bank of China to upgrade

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"Envoy stresses Fiji still eligible for Chinese aid", *BBC Monitoring Asia Pacific*, 20 August 2007.  
The State Council Information Office, *China's Foreign Aid: 2014*,  
<http://www.miit.gov.cn/n11293472/n11293832/n13095885/16064393.html>

our national infrastructure," He highlighted that his government had taken out concessional loans that totaled 285 million Fiji dollars to upgrade major road links, build new public housing projects and enhance information technology capabilities. The South Asian Post highlighted that in 2005, China pledged 1 million dollars in aid to Fiji. In 2007, grant and loan pledges totaled 167 million dollars, which is more than half of China's annual aid to the entire Pacific. According to *Asia News Monitor*, since Commodore Frank Bainimarama's troops seized power in 2006, Beijing's aid pledged to Fiji had increased seven-fold, to 160 million dollars.

### **How does China give aid to Fiji?**

When Chinese leaders have visited Fiji, China has signed an agreement of Economic and Technical Cooperation which provides concessional loans to Fiji, a framework agreement on government-level concessional loan and so on. For example, when Premier Zhu Rongji met Fiji Prime Minister Laisenia Qarase in May 2002, they signed a memorandum of understanding on economic and technological cooperation and three other documents on cooperation in fishing, education and health care. In April 2006, when Chinese Premier Wen Jiabao visited Fiji, he pledged three billion yuan (397 million US dollars) in preferential loans, to encourage Chinese investment, reduce debt-burden and bring about other policies favorable to Pacific island countries. In February 2009, vice President Xi Jinping and interim Prime Minister Voreqe Bainimarama signed four agreements involving developments worth millions of dollars, which included multi-million dollar Navua Hospital. When Wu Bangguo, chairman of the Standing Committee of China's National People's Congress(NPC) visited Fiji in September 2012, He and Fiji Minister Josaia Voreqe Bainimarama signed three agreements including one on economic and technological cooperation, a framework agreement on a government-level concessional loan, and an agreement on a concessional loan for a road upgrading project. In these cases, China's development aid to Fiji is not concrete, which usually is a large framework.

At the same time, China has often signed agreement with Fiji when Fiji's leaders have visited China. When Laisenia Qarae visited China, three agreements were signed by the ambassador to the People's Republic of China, Jeremaia Waqanisau, with representatives of the PRC. According to these agreements, China agreed to dispatch a team of experts to Fiji to conduct study on the Somosomo small hydroelectric project in Taveni and provided a RMB25 million (approximately 6 million Fiji dollars) aid

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"China- Fiji ties of cooperation continue to grow", *Xinhua News Agency*, 22 December 2011; "China, Fiji sign economic cooperation agreement", *BBC Monitoring Asia Pacific*, 22 December 2011.

"Embassy denies China increasing Fiji aid", *BBC Monitoring Asia Pacific*, 27 May 2008.

"Australia urges China to stop supporting Fijis military government", *Asia News Monitor*, 27 April 2009

"Chinese VP seals deals with Fiji", *The Fiji Times*, 10 February 2009.

"China, Fiji ink three pacts, vow closer relations", *Xinhua News Agency*, 21 September 2012.

grant for economic and technical cooperation projects on 29 June 2004. While the Fiji head of state Ratu Epeli Nailatikau and the president of the People's Republic of China Xi Jinping held bilateral talks in August 2014, the Chinese government provided 80 million RMB which is equivalent to FJD 25 million as a token of goodwill from the People's Republic of China and her people.

In September 2006, vice-minister for Health for the People's Republic of China Jiang Zuojun said China would be happy to help Fiji in health care and prepared to send more doctors to Fiji to deliver better health services to the people of Fiji, after meeting the minister for Curative Health Services Gunasagran Gounder and senior health officials in Suva. In April 2010, the All China Women's Federation met with various women's organization in the Western Division of Fiji, and handed over 750 sewing machines valued at 187,500 dollars to the Fiji Women's Federation, which added to 200 sewing machines distributed in 2009. The chief of the Foreign Affairs Office in China Ministry of Defense, Major General Qian Lihua promised to increase assistance in vehicles, uniforms and stationery equipment as well as training opportunities for defense personnel when he visited to Suva in January 2013.

The Chinese ambassador to Fiji played an important role, he often signs agreement with Fiji on behalf of the Chinese government. On 21 September 2011 Chinese Ambassador Huang Yong handed over a batch of media equipment which included 10 portable computers, 20 digital cameras, 10 flat-panel TVs and 10 desktop computers to the Fiji government on a gratis basis. In 2011, Huang Yong handed over a new multi-purpose cargo (多功能货船) to the Fijian government to assist the island nation's fisheries economy. The China-built vessel is called the "Bai Ni Takali" and was a 5.3 million dollars (2.9 million US dollars) Chinese funded vessel.

The Fiji ambassador to China also played an important role, because he stayed in China and made contact with China on behalf of the Fijian government. The Chinese strengthened ties with Fiji and provided some aid to Fiji through him. Fiji's ambassador to China, Sir James Ah Koy signed a memorandum of understanding with the visiting Chinese delegation on producing ethanol from cassava on 9 March 2008. He also helped Fiji secure a 230 million dollar soft loan in 2008, which included eight projects mainly in the housing, agriculture and commercial areas.

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"Fiji, China sign agreement on rural projects", *BBC Monitoring Asia Pacific*, June 30, 2004.

"Fiji and China leaders hold talks in Nanjing city", *MENA Report*, 19 August 2014.

"Chinese minister offers Fiji help with medical services", *BBC Monitoring Asia Pacific*, 26 September 2006.

"Chinese women's delegation visiting Fiji", *BBC Monitoring Asia Pacific*, 18 April 2010.

"China donates media equipment to Fiji", *Xinhua News Agency*, 21 September 2011.

"China-aided cargo vessel handed over to Fiji", *Xinhua News Agency*, 30 December 2011.

"China reaches out to Fiji women", *Xinhua News Agency*, 7 April 2010; "Chinese loan for Fiji cover eight projects", *BBC Monitoring Asia Pacific*, 13 September 2008.

Occasionally, China provides aid to Fiji for specific objectives. In 2004, China provided sports facilities at the Laucala sports city so that Fiji could succeed as a sponsor of the South Pacific Games. Because the sharp rise in world fertilizer prices in 2008 and in early 2009 resulted in an increased cost for Fiji's local blended fertilizers to a level which discouraged both the sugar-cane and non-sugarcane farmers, China donated 12,000 tons of fertilizer to Fiji. In March 2010, Fiji's Ministry of Primary Industries received on behalf of the Fiji government 600 tons of NPK fertilizer from the Chinese government at the South Pacific Fertilizers Limited headquarters in Lautoka.

### The methods and fields of Aid

Development aid from China to Fiji is in the form of complete foreign aid projects (成套项目), general foreign aids, technological cooperation, human resources development and cooperation, emergency humanitarian aid, debt Relief, student scholarships and other forms of assistance.

According to the White Paper on China's Foreign Aid released by the State Council Information Office, complete foreign aid projects refers to helping recipient countries with construction projects in production and civilian areas by providing aid and interest-free loans and other aid, which is the most important form of China's foreign aid and accounted for 40% of China's fiscal expenditure. As far as China's aid to Fiji is concerned, perhaps it is a higher percentage. (Table 1)

Major complete aid projects of China Aid to Fiji: 1988-2013

Year	Project Name
1988	Bukuya Hydropower project in Viti Levu
1989	Wainiqueu Hydropower project in Vanua Levu
1992	Tuniwa bridge project ; Savu technical training school project
1999	Ruiwa Delta rural electrification project
2002	Multipurpose stadium Project
2006	E-government projects; Rokobili Container Terminal Project in Suva
2008	Navuso bridge project; Naqali Bridge project;

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"Fiji benefits from China's fertilizer assistance", Xinhua News Agency, 2 March 2010.  
The State Council Information Office, *China's Foreign Aid*, Beijing, People's Publishing House, 2011, p.9.

	Vaturu Hydropower project in Nandi; 50 million dollar low-cost housing project and 2 million dollar low-cost building project; 40 million dollar ethanol project; 30 million dollars for a waste-electricity project, 2 million new television company project; 20 million new cement factory project; 2 million integration security project
2009	Low Cost Housing Project; A multi-million Navua Hospital
2010	Somosomo Hydroelectric power plant Multifunction vessel project; Rural road upgrading projects Low cost housing and public rental housing projects Presidential and Thurston Botanic Garden fence project
2011	Public rental housing project; Naqia and Balekinaga bridge project
2012	Kiuva village sea wall project
2013	Dreketi to Nabouwalu Road Upgrading Project

Source: The Economic and Commercial Counsellor's Office of the Embassy of the People's Republic of China in the Republic of Fiji. <http://fj.mofcom.gov.cn/> ; <http://www.xinhuanet.com/>

General foreign aid refers to China providing recipient countries with necessary production and living materials, technical products or individual equipment, and assume the necessary technical support services. It can be divided into loan aid and gratuitous aid(无偿援助), in which concessional loans are more important. In order to help improve housing, the Chinese government provided Fiji a 50 million dollar loan in 2010, to build almost 2,000 low-cost housing units. In 2013, China through its embassy in Suva donated computers to Fiji's Ministry of Defense, which will be put to good use in strengthening the ministry and improving its functions though small in amount. In order to help Fijian government address sea level rise and protect villages along coastal areas, China donated a sea wall to Fiji at the Fijian government's request. (Table 2)

General foreign aids to Fiji

Year	content
1992	A jeep, Two tractors and related farm machinery
2004	Donate RMB 25 million and sports facilities at the Laucala sports city
2005	100 US dollar for repairing the Chinese-funded gymnasium, aquatic and hockey

"China donates computers to Fiji's defense ministry", *Xinhua News Agency*, 22 March 2013.

"China donates sea wall to Fiji", *Xinhua News Agency*, 17 July 2013.

	centres; a grant of almost 100,000 US dollars to the South Pacific Tourism Organization
2008	A multi-purpose Cargo vessel
2009	1,175 tons of fertilizer
2010	Agreement on China providing sports equipment and other military logistics supplies to Fiji ; the fencing of Government House 12,000 tons of NPK fertilizer
2010	48 sets of mechanical equipment and office equipment which worth 500,000 yuan. 700 manual sewing machines Chinese-funded enterprises in Fiji donate \$ 71,000 to Fiji national cricket team
2011	Notebook computers, desktop computers, flat-panel TVs and digital cameras and other dozens of office equipment
2012	LCD TVs, computers, printers and copiers totaling hundreds of office equipment
2013	20 Red CA7251A type official cars, some spare parts, fault diagnostic and special maintenance tools; computers to Fijis ministry of Defense; Cultural equipment worth 300,000 RMB.
2014	RMB 3 million worth of police and law enforcement equipment

Source: The Economic and Commercial Counsellor's Office of the Embassy of the People's Republic of China in the Republic of Fiji. <http://fj.mofcom.gov.cn/> ; <http://www.xinhuanet.com/>

Technical cooperation is defined by China sending experts to Fiji and providing technical guidance for projects that have been completed and the subsequent production, operation or maintenance; teaching Fijians Chinese agriculture and traditional handicraft techniques; helping Fiji accomplish professional inspection, exploration, planning, research, consulting and so on. For instance, In September 2007, seven aviation officials and technicians from the South Pacific island nations of Fiji and Tonga received free instruction in cargo and passenger transportation and ground services in the Civil Aviation University of China (CAUC). The CAUC, affiliated to the Civil Aviation Administration of China (CAAC), had been authorized by the International Air Transport Association (IATA) to conduct training in air and dangerous goods transport, and by the CAAC to train air traffic controllers, air transport agents and other aviation industry staff. (Table 3)

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750 sewing machines, cite "Fiji PM meets Chinese women's delegation", *BBC Monitoring Asia Pacific*, 20 April, 2010.  
"China trains Fiji, Tonga aviation professionals", *BBC Monitoring Asia Pacific*, 18 September 2007.



#### Technological cooperation between China and Fiji

Year	Cooperation content
1986	China sent three agricultural experts to Fiji to teach rice cultivation technology
1992	China sent two agricultural experts to teach vegetable cultivation technology
2004	Agreement on plant quarantine
2006	Help Fiji with health programmes
2011	Agreement on the Chinese government provided aid to the Fiji government
2012	Agreement on China help Fiji in its development of the Rice Industry Project in Vanua Levu

Source: The Economic and Commercial Counsellor's Office of the Embassy of the People's Republic of China in the Republic of Fiji. <http://fj.mofcom.gov.cn/> ; <http://www.xinhuanet.com/>

Fiji is a tropical country and is often hit by storms and heavy flooding. When natural disaster strikes Fiji, which causes grave losses of life and property and even loss of people's homes, the Chinese offer emergency humanitarian aid. After Cyclone , China's Foreign Affairs Minister Yang Jiechi sent a message and extended sincere condolences to all victims, while the Chinese government provided 146,000 dollars of which 96,000 went towards the Fiji Red Cross Society and additional 50,000 was for the Prime Minister's National Disaster Relief and Rehabilitation Fund. (Table 4)

#### Emergency Humanitarian Aid

Year	Content
2009	the Chinese government donated \$ 30,000 to the Fiji to deal with hurricane "Mick"
2010	To deal hurricane "Thomas", the Chinese government provide 146,000 dollars, Chinese Red Cross provided \$ 50,000 and the Chinese Embassy in Fiji gave 50,000 Fiji dollars to Fiji.
2012	Chinese Red Cross provided \$ 50,000 to deal with Hurricane "Ivan"
2014	Chinese government \$ 50,000 contribution to support the fight against dengue fever in Fiji

Source: The Economic and Commercial Counsellor's Office of the Embassy of the People's Republic of China in the Republic of Fiji. <http://fj.mofcom.gov.cn/> ; <http://www.xinhuanet.com/>

Human resources development means China through bilateral and multilateral channels providing Fiji various forms of exchange programs including training of government officials, academic degree education, professional training and other personnel exchange programs. Human resources development cooperation between

"Fiji 'very grateful' for Chinese cyclone aid", *BBC Monitoring Asia Pacific*, 21 March 2010.

The State Council Information Office, *China's Foreign Aid*, Beijing, People's Publishing House, 2011, p.12.

China and Fiji began with agricultural technology training and gradually spread to industrial, transportation, civil servants and so on. For example, The Shanghai International Studies University opened an office in Suva to train Fiji's diplomats and top public servants. ( Table 5 )

Human Resources Development and Cooperation

Year	content
1997	Fiji's Officer participate in the management of modern agriculture on foreign aid training in Wuhan
2000	Major Mara participate in military training class in National Defence University PLA China
2007	Fiji officials participated in air transport business training in China Civil Aviation University; China sent eight English-speaking engineers to Fiji.
2013	Training for Fiji's diplomats and top public servants.
2014	The PLA Navy Hospital Ship Peace Ark visit Fiji; Political training for Fiji senior civil servants

Source: The Economic and Commercial Counsellor's Office of the Embassy of the People's Republic of China in the Republic of Fiji. <http://fj.mofcom.gov.cn/> ; <http://www.xinhuanet.com/>

In order to assist Fiji's development, Prime Minister Wen Jiabao declared as free from debt the Pacific island countries including Fiji during the China-Pacific Island Countries Economic Development and Cooperation Forum in 2006.

In 2014, The Chinese Naval Peace Ark hospital ship visited Fiji and provided humanitarian health services to the people. The ship had about 100 medical staff in 22 specialties, among which there were 15 clinical departments such as respiratory, internal medicine, digestion internal medicine, orthopaedics and general surgery. The vessel also had 7 auxiliary departments such as blood transfusion department, radiology department and pathology.

### **Motivations for China's development to Fiji**

As far as Chinese motives are concerned, many western officials and scholars provide all kinds of statements, but in my opinion, the motivation of China's aid to Fiji include the following three main aspects:

Firstly, it is a continuation of internationalist thought. China is a developing country, but it has begun to undertake corresponding international obligations and provide

assistance within its capacity to other developing countries with financial difficulties since 1950, such as Korea and Vietnam. In 1956, China began to provide economic and technical assistance to Mongolia; China and Mongolia signed economic and technical assistance agreements; Chinese gave aid of RMB 150 million to Mongolia. Meanwhile, China and Cambodia and Laos also signed a financial aid agreement. In Africa, China gave CHF 20 million to Egypt during the Suez Crisis in 1956, which was the first instance of foreign aid by China to Africa and opened the door of China's aid to Africa. China's aid to Africa since then has increased, including aid to Algeria, Guinea, Congo, Tanzania and Zambia and so on.

With this international backdrop, Fiji established diplomatic relations with China in 1975. As the first Pacific island country to establish diplomatic relations with China, Fiji had just gained independence from the UK, and its economy was still very weak. As developing countries with similar historical encounters, both China and Fiji were faced with the task of developing their economies and improving their people's well-beings. The Chinese government was with the people of Fiji and started providing development aid to them while adhering to the principles of internationalism, which is a continuation and development of internationalism in history.

Secondly, aid can contribute to establishing a good international image. Surely, any country and organization would want to create a good image in the international community. Of course, they have made many efforts to achieve their aim. Providing development aid to them is a good choice. As a responsible power, China is playing a role in international affairs, and is providing aid to more and more developing countries including Fiji.

Thirdly, political motives are very important factor. First of all, Fiji's adherence to the "one-China policy" is the most important; we can see similar expressions in a lot of agreements between China and Fiji. According to BBC Monitoring Asia Pacific, when the vice-Minister of Commerce of China Chen Jian visited Fiji on February 24, 2005, he announced more than 1.3 million dollars in grants to Fiji, praising Suva for sticking to its one-China policy of recognizing Beijing over Taipei. When Taiwan's leader Chen Shui-bian was allowed to have a stopover in the country in May 2005, the Chinese Ambassador to Fiji Cai jinbiao met the chief executive in the Prime Minister's Office, Joji Kotobalavu and Foreign Affairs Minister Kaliopate Tavola to hear the Fiji government's version of events. They told Cai that Fiji remained true to the "one-China policy" and that Taiwan leader was only allowed to visit out of courtesy. Prime Minister Laisenia Qarase did not meet the visiting leader and none of

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"China makes to Fiji, praises one-China policy", *BBC Monitoring Asia Pacific*, February 24, 2005.

the Cabinet ministers were at a function hosted in Chen's honor. It is clear that, I believe development assistance is conditional, that is, Fiji must persist with its "one-China policy". In addition, China seeks Fiji's support on issue related to China's core interests and major concern.

Fourthly, China's development aid to Fiji will benefit both Fiji and China. The two economies are highly complementary, and Fiji is economically backward and boasts rich tourist, marine, mineral and agricultural and forestry resources. And China has the advantages of capital, technology, market and human resources. China has boosted its economy by introducing a large amount of foreign investments since adopting the open door policy. In 2010, China became the second largest economy in the world. With the development of its economy, China urged capital to export and solved the problem of Overcapitalization and labor surplus, by aiding to Fiji; China can not only solve these problems, but also enlarge its market and improve skills. So I think China's aid to Fiji is killing two birds with one stone.

### **How effective is China's Aid?**

China's aid to Fiji has played an important role in Fiji's economic development. It is not only improving the economic environment, but also enhancing the ability of being independent and reducing their dependency on imports. For instance, the Somosomo Hydro Plant in Taveuni, a China-funded 20 million Fiji dollars (10.8 million US dollars) project, solved Taveuni's power problems on the island which had been heavily reliant on diesel-powered generators. Fiji's Minister of Education Filipe Bole, who was once acting Minister for Foreign Affairs and International Co-operation, had said: "China has been a true and steadfast friend of Fiji. We have seen and experienced through the years the significant role China has played in our country's national development." Filimoni Kau, Permanent Secretary of Fiji's Lands and Mineral Resources Ministry, also held that China's development assistance over the years was valuable in the acceleration of development in various sectors and served to enlarge Fiji's national capacity.

Second, China's aid to Fiji is suitable to local practice while enhancing the people's living conditions, improving their living standards and increasing their incomes. Take Low-cost housing projects for example, The Chinese delegation from the International Poverty Reduction Centre in China visited some housing projects and explored different poverty alleviation strategies in 2010, after which they made a

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<sup>1</sup>"Fiji briefs Chinese envoy on Taiwan president's stopover", *BBC Monitoring Asia Pacific*, May 10, 2005.  
<sup>2</sup>"China- Fiji ties of cooperation continue to grow", *Xinhua News Agency*, 22 December 2011.

decision on how assistance can be provided Fiji. At the same time, low-cost housing projects can build good and secure homes for rural and squatter areas in Fiji, while low-cost building projects start the factory that will make building blocks from sawdust and other waste material. In addition, they create jobs and so on. In 2008, Guangxi Province and the National Biofuel Strategic Committee signed an ethanol plants project which would enable farmers in Fiji to earn about 10,000 dollars (approximately 6,200 US dollars) for every hectare of cassava they plant for the production of ethanol. After the sharp rise in world fertilizer prices in 2008 and early 2009 and Tropical Cyclone Mick, China donated 12,000 tons of fertilizer to help lift production and assist in the recovery of the island nation's agricultural production.

Third, China's aid to Fiji is also improving the status and employment rate of women, which enhances their confidence. From 2012 to 2013, the All China Women's Federation donated 1700 sewing machine to the Ministry of Women, and with them the Fiji government built a Sewing Centre where a lot of women in Fiji benefit. It not only provided them with the opportunity to walk from welfare to workfare, but also raised their self-confidence and helped them make better choices in life by through financial independence. In addition, the Centre made it possible particularly for the women with disabilities to undergo an inclusive program not only targeting training skills that they received in garment manufacture, but also the awareness they can create in an inclusive society.

Fourth, China's aid to Fiji plays an important role in the process of democratization in Fiji. In order to make the 2014 general election proceed smoothly, the People's Republic of China Ambassador to Fiji, Huang Yong, signed a Memorandum of Agreement with the Acting Prime Minister and Minister responsible for elections, Aiyaz Sayed-Khaiyum on 8 June 2014. In light of the MOA, China provided 1.462 million Fiji dollars to Fiji. In April 2014, Chinese Special Envoy to the China-Pacific Islands Forum Dialogue Du Qiwen met with Fiji's Minister of Foreign Affairs Ratu Inoke Kubuabola and promised to ship an additional 3 million Yuan worth of police and law enforcement equipment to support Fiji's elections.

In the end, China's development aid to Fiji deepens and enlarges Chinese-Fijian relations. The development of bilateral relations rests on the basis of mutual respect, equal treatment, the enhancement of understanding and deepening of trust. China respects Fiji's sovereignty, unlike countries that continue to bully Fiji and firmly supports the Fiji people's rights to choose the development path on their own. China

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"Chinese team studies poverty alleviation in Fiji", *BBC Monitoring Asia Pacific*, 24 October 2010.

"Fiji benefits from China's fertilizer assistance", *Xinhua News Agency*, 2 March 2010.

"Fiji: Chinese delegation impressed with the national sewing center", *MENA Report*, 12 November 2013.

"People's Republic of China commits \$1.42 million to Fijian election", *MENA Report*, 9 June 2014.

"China offers more to Fiji", *Xinhua News Agency*, 28 April 2014.

believes Fiji has the right to resolve its own issues as a sovereign nation and that China will not take sides in continuously condemning and pressuring Fiji to make decisions like Australia and New Zealand. No matter what may happen in international politics, China would be pro-Fiji and support Fiji and treat Fiji like a friend as long as it supports the one-China policy! Fiji appreciates China's principle of non-interference in other countries' internal affairs and its understanding for the changes in Fiji's political situation. When Fiji's leader Voreqe Bainimarama visited China, he said China was the one country that understood the reforms he was trying to implement. In the meantime, China appreciates Fiji's adherence to the one-China policy and its support on issues related to China's core interests and major concerns. So, Chinese leaders have expressed repeatedly the China has always regarded Fiji as a good friend and partner in the Pacific island region, and is willing to work with Fiji to lift bilateral ties to a higher level.

### **Different voices**

As far as China's development aid to Fiji is concerned, there are different voices in the international community. Some think Chinese assistance does not provide urgent assistance for balance-of-payments difficulties, since the vast bulk of payments are made overseas. In Australian opinion, China's aid to Fiji has been an apparent effort to use money as a persuasive diplomatic tool in the South Pacific, undermined international efforts to isolate Fiji's military government.

Some think a potent Fiji navy with new Chinese vessels and an army with Chinese arms and vehicles could present New Zealand with a potentially dangerous and unusual military threat. I don't think so. Fiji military personnel suffered from ageing equipment, poor training and increasingly shabby uniforms before China provided aid to Fiji. The United States and Australia provided Tonga's defense force with extensive aid and transformed it from little more than a palace guard to a unit that has served with American forces in Afghanistan. Do people also think Tonga's force is a military threat or factor of instability in the Pacific region? If not, why? Is it because Tonga stand together them? Is it because Fiji doesn't obey them? There is a Chinese culture proverb, this is not only state an officer fire-tight forbid common people

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"China respects Fiji's sovereignty: envoy", *Asia Pulse*, 14 June 2011.

"Fiji eyes China", *Dominion Post* (Wellington, New Zealand), 12 August 2010.

"China, Fiji ink three pacts, vow closer relations", *Xinhua News Agency*, 21 September 2012.

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light-on? (只许州官放火不许百姓点灯)

General elections were held in Fiji on 17 September 2014 in which the 52 members of the Fijian parliament were selected and the previous Prime Minister Frank Bainimarama was re-elected. We know this election was not only the first democratic parliamentary election in Fiji's history, but also was on the basis of one person, one vote and one value. It turned out that Frank Bainimarama's Administration was on behalf of Fiji and was supported by Fiji's people. It is unblamable for Frank Bainimarama's Administration to seek Fiji's better development. The United States had created a firewall around much of the Pacific from Guam to Hawaii, to American Samoa and Australia, and by renewing ties with New Zealand, and what is the purpose of America? Apparently, it was fear of China, and was meant to lock the Chinese out of the South Pacific or lock them into Fiji.

## **Problems**

It is recognized that there are many shortcomings in China's development aid to Fiji. They are as follows:

1. The sum of funds is non-transparent. It is very difficult for me to find data about aid funds to Fiji. It is well known that Ministry of the Commerce of the People's Republic of China are the competent authorities who put foreign aid into effect, and the department of foreign assistance takes charge of foreign aid. Although I can find some information about aid to Fiji, I cannot know the sum of China's aid to Fiji. I have to add it up according to Xinhua News Agency, the Economic and Commercial Counselor's Office of the Embassy of the People's Republic of China in the Republic of Fiji, the Fiji Times, China Daily and so on. It is a pity to me not to display the total of aid.
2. The projects mainly focus on areas related to infrastructure development, such as the construction of a Hydropower station and gymnasium, the development and upgrade of roads, the building of homes, schools and other development. At the same time, while the focus has been on the government level, China's aid to Fiji has not been in close contact with the public.
3. Aid pays much more attention to construction, while giving too little care to follow-up maintenance and upgrading.