

REPORT DOCUMENTATION PAGE

Form Approved
OMB No. 0704-0188

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.
PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS.

1. REPORT DATE (DD-MM-YYYY) 05/27/2019	2. REPORT TYPE Master's of Operational Studies	3. DATES COVERED (From - To) JUN 2018 - JUN 2019
--	--	--

4. TITLE AND SUBTITLE The Case for a Fourth Island Chain: A Unifying Concept for contesting future Chinese influence in the Indo-Pacific	5a. CONTRACT NUMBER N/A
	5b. GRANT NUMBER N/A
	5c. PROGRAM ELEMENT NUMBER N/A

6. AUTHOR(S) Lambert, Levon, J, Major, Australian Army	5d. PROJECT NUMBER N/A
	5e. TASK NUMBER N/A
	5f. WORK UNIT NUMBER N/A

7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) USMC School of Advanced Warfighting Marine Corps University 2044South Street Quantico, VA 22134	8. PERFORMING ORGANIZATION REPORT NUMBER N/A
---	--

9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)	10. SPONSOR/MONITOR'S ACRONYM(S) FW Mentor's Name
	11. SPONSOR/MONITOR'S REPORT NUMBER(S) N/A

12. DISTRIBUTION/AVAILABILITY STATEMENT
Approved for public release, distribution unlimited.

13. SUPPLEMENTARY NOTES

14. ABSTRACT
Analyzing Chinese behavior in the Indian Ocean may highlight opportunities to contest Chinese influence through more intensive combined efforts in a mutually agreeable area. Geographically, the islands extending eastward from the Cocos Islands to French Polynesia constitute a focal area with specific leverage points to be conceptually designated the Fourth Island Chain. Comprising economic support and multilateral military engagement, this geography-based concept is intended to unify multilateral efforts to contest Chinese influence into the future.

15. SUBJECT TERMS
Future War, Interoperability, China, Island Chain, Competition, Great Power, Australia, New Zealand, France, United States

16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON	
a. REPORT	b. ABSTRACT	c. THIS PAGE			USMC School of Advanced Warfighting	
Unclass	Unclass	Unclass	UU	25	19b. TELEPHONE NUMBER (Include area code) (703) 432-5420 (Admin Office)	

*United States Marine Corps
School of Advanced Warfighting
Marine Corps University
3070 Moreell Avenue
Marine Corps Combat Development Command
Quantico VA 22134*

FUTURE WAR PAPER

The Case for a Fourth Island Chain: A Unifying Concept for contesting future Chinese influence in the Indo-Pacific

**SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF OPERATIONAL STUDIES**

***Major L.J. 'Von' Lambert
Australian Army***

AY 2018-19

Mentor: Dr. Christopher Yung

Approved: _____

Date: _____

Christopher Yung
26 May 2019

Executive Summary:

PRC actions in the Indian Ocean demonstrate a pattern of investment linked to military visitation based on the geographic importance of infrastructure needed for maritime power projection that could be replicated to increase Chinese influence potential in Oceania. Interpretations of China's grand strategy, when applied to the Indo-Pacific, share a disconcerting commonality of dominance, influence, and the capacity for coercion.

Analysing Chinese behavior in the Indian Ocean may highlight opportunities to contest Chinese influence through more intensive combined efforts in a mutually agreeable area. Geographically, the islands extending eastward from the Cocos Islands to French Polynesia constitute a focal area with specific leverage points to be conceptually designated the Fourth Island Chain. Comprising economic support and multilateral military engagement, this geography-based concept is intended to unify multilateral efforts to contest Chinese influence into the future.

To counter Chinese influence, we should designate a "Fourth Island Chain" to unify future operations in Oceania around common goals of security cooperation, supported by economic engagement to degrade Chinese influence as part of an allied competitive strategy. Specifically, we should do two things:

1. Outspend China via combined aid delivery in the fourth island chain as the first tranche in an enduring competitive strategy to 2035.
2. Saturate the fourth island chain through multilateral security cooperation creating enduring strategic facilities and cooperative relationships to 2035.

Increasing aid expenditure by Australia and NZ through nominal increases as percentage of GNI over the next decade in tandem with doubled spending by the US and France will counter Chinese attempts to buy influence in the economic dimension. Multilaterally deepening present security arrangements like Australia's DCP to include contributions by the US, France and NZ beyond 2022 in support of contingencies such as the possibility of New Caledonian Independence will support local security cooperation. Widening the FRANZ agreement to include US capabilities and incorporating responsible aid dispersal will engender greater strategic trust; and by establishing permanent basing arrangements in the focal areas of Fiji, PNG, Tonga, and Vanuatu, strategic stakeholders will serve to counter Chinese influence efforts beyond the current island chains and maintain a unified strategic advantage into the future.

DISCLAIMER

THE OPINIONS AND CONCLUSIONS EXPRESSED HEREIN ARE THOSE OF THE INDIVIDUAL STUDENT AUTHOR AND DO NOT NECESSARILY REPRESENT THE VIEWS OF EITHER THE SCHOOL OF ADVANCED WARFIGHTING OR ANY OTHER GOVERNMENTAL AGENCY. REFERENCES TO THIS STUDY SHOULD INCLUDE THE FOREGOING STATEMENT

“Foreign intentions provide us cues for our defence efforts only when they are clear-cut and either conspicuously friendly or plainly warlike.”

Bernard Brodie, 1959¹

“A strategy based on power sharing and a spheres-of-influence order may be destined for popularity, but that does not make it wise or prudent.”

Thomas J. Wright, 2017²

Chinese influence within small Pacific nations illustrates a degree of “creeping expansion” beyond the South China Sea. Concurrently, the Belt and Road Initiative (BRI) brings increased presence by China in nations bordering the Indian Ocean. Most recently observed in the Indian Ocean region (IOR), a Chinese encroachment strategy fosters the capacity for coercion at the strategic level through an undeclared sequence of Foreign Direct Investment (FDI), aid donations, purchasing national debt, long-term strategic facility contracts, fleet visitation, and forward-basing. Globally, Chinese strategic objectives are twofold; first, ensuring economic development through consistent access to new markets, and second, retaining territorial integrity via political and military means. Amidst the present climate of great power competition, a common observation is that China’s grand strategy has evolved from keeping a low profile to demonstrating greater willingness to influence and shape the external environment. Irreversible shaping occurred in the South China Sea leading to the 2016 rejection of the Hague’s Permanent Court of Arbitration 2013-19 ruling. Furthermore, economic influence is heavy in specific geostrategic portions of the Indian Ocean like Kenya, Seychelles, Sri Lanka, the Maldives, and Djibouti. Following this trend, Pacific island nations in the region defined as Oceania are increasingly subject to Chinese influence and are without a unified approach to contest it.³ Designating a Fourth Island Chain to counter Chinese influence creates an opportunity to unify strategic resources. Through continuation of the Indian Ocean model of a deliberate sequence of investment linked to military visitation, China’s encroachment strategy will expand unchecked into Oceania. Strategic competition will therefore continue unfettered through a lack of multilateral arrangements to combat predatory economics, engender long-term security, build regional resilience,

and maintain local strategic trust.

National aims among the significant coaligned strategic stakeholders in Oceania are isolated and disjointed providing opportunities for bilateral exploitation by China seeking to irreversibly alter the balance of power in the Indo-Pacific. In an era of renewed great power competition where bilateral engagement yields comparatively narrow results, a coalition of stakeholder nations comprising the US, Australia, NZ, and France should generate a common geographic focal point to contest future Chinese influence. In considering Chinese strategy and the ability to contest influence in depth, it is vital to look beyond the island chains historically conceptualised by John Foster Dulles.⁴ Analysing Chinese behavior in the Indian Ocean may highlight opportunities to contest Chinese influence through more intensive combined efforts in a mutually agreeable area. Geographically, the islands extending eastward from the Cocos Islands to French Polynesia constitute a focal area with specific leverage points to be conceptually designated the Fourth Island Chain. Comprising economic support and multilateral military engagement, this geography-based concept is intended to unify multilateral efforts to contest Chinese influence into the future.

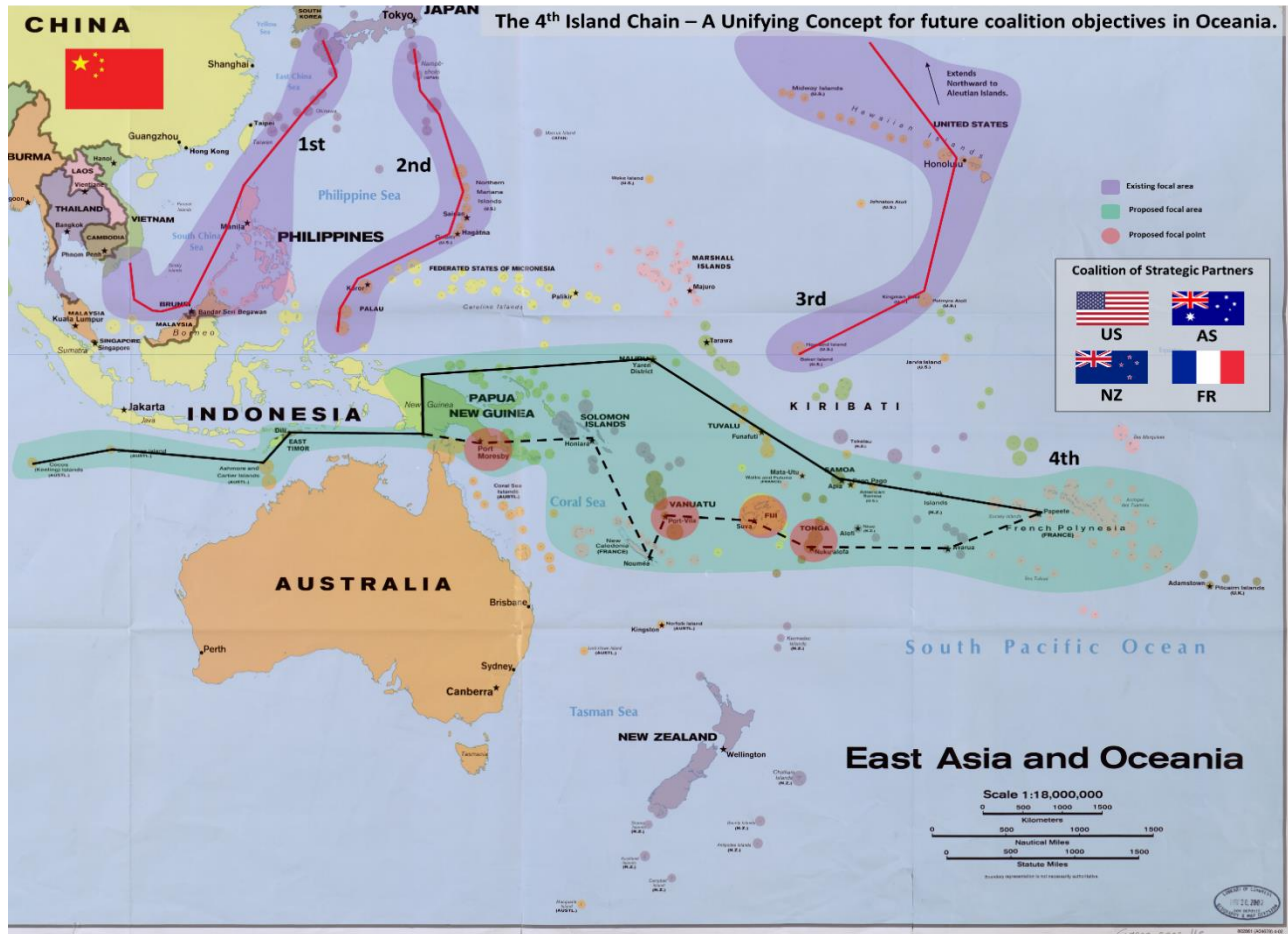


Figure 1: Conceptual Island Chains of the Indo-Pacific

Interpreting Chinese Grand Strategy

Interpretations of China’s grand strategy, when applied to the Indo-Pacific, share a disconcerting commonality of dominance, influence, and the capacity for coercion. Martin Jacques describes China as characterised by the ‘Middle Kingdom Mentality’, that is, Chinese hegemony centred on a superior view of Chinese culture and becoming the dominant power in its immediate region.⁵ Jacques’ view is echoed by Ye Zicheng as ‘cultural centralism’ centred on East Asia and: “A continental geostrategy focused on stabilising the periphery... and multipolarisation to smash the US intention to dominate the world.”⁶ This approach could manifest as a renewed version of historic economic interaction containing small traces of the ancient tributary system – not necessarily driven by domination, but enabled by it. A more moderate approach is offered by

Yongjin Zhang who argues that China's behaviour is a constructive strategy to operate within a liberal world order generating stability through different authority arrangements.⁷ Zhang's assessment reflects China's legalist view on crafting an interactive framework for a more open international system, but one that still favours Chinese interests.⁸ The recent militarisation of islands inside the South China Sea and unilateral declaration of an Air Defence Identification Zone (ADIZ) is at odds with the international legalist interpretation though certainly highlights military actions supporting strategic interest. Yun Sun offers a confronting view: "Essentially, China's desired endgame begins with a China-dominated security arrangement in Asia in the short term and a China-led global power structure in the long term. China is willing to reward cooperative countries with economic prosperity... but in return it demands respect, cooperation, or at the very least acquiescence on issues China deems important."⁹ From these interpretations, China's desire to reduce US influence in the East Asian region and beyond becomes quite apparent.

Viewing China's strategy at odds with the liberal order, Thomas J. Wright describes China's strategy as: "...contest for the Asia-Pacific [and] a gradual struggle for pre-eminence... China's maritime assertiveness is a crucial component of its strategy to build a sphere of influence in Southeast Asia and to increase its influence in the region."¹⁰ Wright further describes Chinese strategy as requiring the absence of war in East Asia to build its sphere of influence, maintain the illusion that it may inadvertently end up in a conflict with the US should it not accept Chinese core interests, and sow doubt in the region among smaller nations about US military staying power.¹¹ This leaves Oceanic countries at a distinct disadvantage in two ways. First, the relative size of island economies ensures dependence on China, and second, the potential lack of a credible security guarantee enhances Chinese coercive potential. Wright posits that: "Beijing also hopes that its economic leverage will sugarcoat the pill of revisionism and help socialise its neighbours to its new role as co-manager of the East Asian order."¹² In 2016, Papua New Guinea (PNG) and Vanuatu

recognised Chinese claims in the South China Sea whilst China remains their main creditor. In June 2018, Australia passed legislation to eliminate foreign political donations due to concerns over malign Chinese influence and penetration of its political institutions.¹³ The aggregation of such reporting in tandem with Wright's assessment of Chinese grand strategy demonstrates that the contest for influence is already well under way beyond the original island chains and the need for countering future influence deep in the South Pacific is apparent. To predict future objectives in the context of Chinese Grand Strategy, that is to secure new markets and retain territorial integrity, it is important to identify how China pursued a similar approach in the IOR.

China's Indian Ocean Model

Chinese interest in the IOR pre-dates the 2013 BRI, but is ultimately defined by Xi Jinping's late 2017 doctrine of 'Xi Jinping Thought' exhorting his regime to take a holistic view of Chinese strategy in economic, cultural, and military terms in support of the maturation of the BRI by 2049. Energy security remains of paramount concern to externally-reliant China, importing 8.4 million barrels daily in 2017 with the majority transiting the Strait of Hormuz.¹⁴ The Western-publicised version expounding the importance of the IOR to China originally manifests in the 2005 description by consultants Booz Allen Hamilton as 'The String of Pearls' (SOP) characterised by advanced bases in the context of Chinese energy security, but the reality of the SOP proposition was challenged by 2015 as lacking in substantial permanent military connection with the region.¹⁵ Given China's accelerated influence campaign, the proposition is likely to be challenged out to 2035 through something akin to the *Lean Colonial model* posited by Chris Yung in 2014. The model originally involved specialised bases scattered throughout the world to support colonies. Nations following this model in the 19th and 20th centuries, specifically Germany prior to 1914, did so to support broader economic and foreign policy objectives ahead of military power

projection. The model can advance national commercial interests but is unlikely to support a naval presence strong enough to preserve sovereignty when challenged.¹⁶ Great power influence is the primary output of the model. The military aspect of SOP was certainly not as forthcoming as originally predicted, but a greater time lapse suggests military visits following a period of FDI, purchasing national debt, and ownership of strategic facilities supports the lean colonial model in the IOR. The decisive step in this sequence is for the targeted nation to abrogate sovereign control to China's strategic advantage due to overwhelming influence thereby changing the regional balance of power. Extrapolating the growth of Chinese influence into the future offers not the inevitability of conflict, but the unfettered continuation of strategic competition by generating superior influence and the capacity to coerce when China deems it necessary to shift the balance of power against US-aligned nations in the Indo-Pacific.

Chinese military connection with the coastal African and independent island nations of the IOR was preceded by long-term FDI, aid donations in key geographic locations astride the sea lanes to the Straits of Hormuz and Malacca, and facility contracts which then generated arrangements for subsequent visits by the PLAN. This sequence demonstrates the generation of influence that supports a military footprint in support of Chinese interests – a derivative of Yung's model which reflects the post-2014 developments in the IOR. By 2017, Chinese FDI in Seychelles had more than doubled over a 12-year period, from US\$196 million to US\$287 million annually¹⁷; the PLAN established 'dual-use' naval facilities including submarine deployments to combat Gulf of Aden piracy from 2012 at the behest of the Seychelles government.¹⁸ On the African continent, Chinese FDI in Kenya grew from \$US138 million to \$825 million annually.¹⁹ As at July 2018, China remained responsible for 72% of Kenyan national debt triggering fears of losing controlling interest over the port at Mombasa to Chinese firms.²⁰ Visits by the PLAN to Mombasa followed the uptick in investment to Kenya commencing in 2010 and again in 2014. Finally, the Maldives

are another case where Chinese economic influence is well established and economic interest generated a subsequent military presence. China established its Maldives embassy in 2012, followed with state visits by Xi Jinping in 2014, and by August 2017 Chinese warships docked in Male; all of which preceded a December 2017 Free Trade Agreement with China – the second after Pakistan.²¹ The critical change for the Maldives was a stark increase in national debt from 27.32% to 67.84% with China owning approximately 70% of the increased figure incurred as part of the BRI.²² The inherent fragility of the Maldives compounded by high levels of Chinese-sponsored national debt ensures that it will remain subject to influence into the future and a likely permanent basing location similar to Djibouti, or more controversially, the potentialities of ports in both Gwadar, Pakistan and Hambantota, Sri Lanka.

Djibouti remains China's successful test case for basing in strategic locations supporting the BRI, though it did not receive the long-term FDI similar to Kenya or the Seychelles; but maintains a debt to China of \$1.2 billion equating to half the nation's annual economic output. In Djibouti's case, funding was characterised by infrastructure investment commencing in 2013 with significant port construction, rail and water pipeline construction linking Ethiopia and Djibouti.²³ An assessment of this instance indicates that the geographic significance of a military presence in Djibouti necessitated an accelerated investment program which culminated in permanent PLA and PLAN bases inside a 4-year period lubricated by Djibouti's high level of debt. Pakistan's port at Gwadar is one manifestation of the China-Pakistan Economic Corridor (CPEC) agreement within the BRI. The projected capacity of the port itself is a key indicator of the potential to support PLAN capabilities.²⁴ The model of investment (aid and infrastructure) preceding naval visitation on a longer timeline linked to maritime power projection provides a useful basis for predicting Chinese objectives in the Oceanic region beyond the Second Island Chain.

The Indian Ocean Model applied to the Fourth Island Chain

Geographically, the islands extending eastward from the Cocos Islands to French Polynesia constitute a focal area with specific leverage points to be conceptually designated the Fourth Island Chain. The immediate utility of the fourth island chain to China should be viewed relative to Wright's assessment of China's intended regional superpower status and based on Terrence Wesley-Smith's appreciation of China's patient and long-term contest over recognition of Taiwan in tandem with a desire to access Oceanic resources.²⁵ In the context of a more global comprehensive outlook, influence in the fourth island chain represents three enduring opportunities for China: first, economic connection to South America as part of guaranteed access to new markets, an alternative energy source, and the ability to disperse excess labour forces as part of a future "BRI 2.0". Already working toward these long-term objectives, Chinese firms have purchased Chilean and Peruvian copper mines and obtained major stakes in Venezuelan oil fields.²⁶ Second, access to Antarctica for strategic satellite communications nodes and mineral resource exploration beyond the 2048 expiration of the Antarctic Treaty. Lastly, the absolute utility of advanced bases supporting maritime power projection in the Western Hemisphere in pursuit of natural resources like fisheries, undersea mining, and energy security. Figure 2 places China's resource flow from South America and Oceania second and third respectively behind the IOR. The maintenance of this resource flow, linked to China's core strategy end of economic development illustrates the future value of both the IOR and Oceania, and significantly, the mechanisms China is likely to employ in order to secure it.

Resource flows equal to or greater than \$1 billion in 2014, equalling 98.3% of all resource flows into China

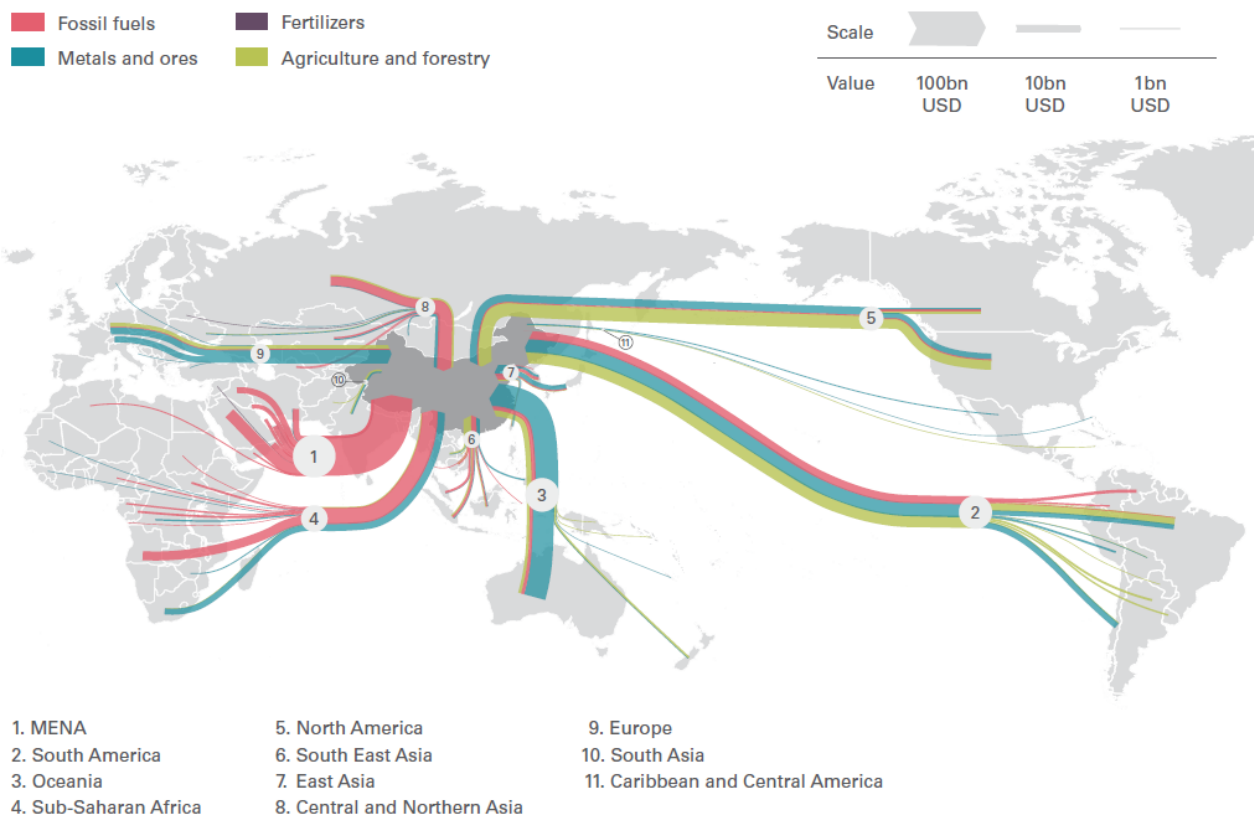


Figure 2: Chinese resource flows in 2014 – emphasis on IOR and South America²⁷

Coercion is defined by Thomas Schelling as the threat of damage and the propensity of one entity to weigh up the use of force relative to the possibility of gains through the threat of damage to another.²⁸ Coercive effects would manifest in Oceanic nations through economic loss equating to population hardship with the associated ability of China, as future conditions allow, to retain the enhanced threat of economic damage as a coercive mechanism in pursuit of strategic bases. The method for attaining Chinese strategic objectives in the future will likely be more coercive in nature if the traditional Chinese strategic fait accompli, as played out in the South China Sea, appears unattainable.

Generating economic damage as part of strategic compellence is a longer-term Chinese capability within the Indian Ocean Model that is yet to manifest, but the use of influence or a lesser

degree of coercion looms large. Charles Edel states: “Chinese investment is troublingly opaque, undermines national sovereignty, and privileges resource extraction over benefit to local communities... Chinese investment has often brought environmental degradation, corruption and crime, and increased strain on natural resources, including fisheries.”²⁹ Evan Feigenbaum describes a derivative of Schelling’s definition using variations on leverage as a result of economic influence which may be equated with Rod Lyon’s description of Strategic Gravity based on China’s size and proximity.³⁰ Comparatively, Passive leverage is essentially the gravity of China’s size and market power. Beijing doesn’t need to threaten, cajole, to try to pursue its ends; instead, relying on foreign economic interests, such as companies with a stake in the local economy, to pressure home governments for stable, predictable, non-confrontational relations.³¹ An example of passive potential is in Australia; China’s sixth largest trading partner whilst China remains Australia’s largest and single main export market for manufactured goods.³² Australia passed legislation in June 2018 banning donations by corporate entities to political parties as a result of two instances whereby Chinese firms had funded interactions with prominent politicians.³³ This drew strong rebuke from China, but little else.

Active leverage, by contrast, means China will try to take a direct hand in shaping rules and norms in other countries – not solely punitive in nature. Beijing’s goal was to use the potential of its economic power to shape political and economic preferences. Admiration for New Zealand’s foreign policy stance and its status as the first developed country to recognise both China’s market economy and conclude talks on entry into the WTO engendered the first FTA of a developed nation with China in April 2008.³⁴ A clearly positive example of active leverage in this case. Passive and Active forms of leverage appear to be the norm, but the possibilities of exclusionary, coercive, and latent leverage illustrate China’s future ability to influence key nations within the fourth island chain.

The inherent fragility of nations in the fourth island chain provide the context for Chinese leverage in an exclusionary, coercive, and latent sense. Beijing's use of exclusionary leverage is a function of sheer size, similar to Lyon's description of strategic gravity. Rather than attempting to shape rules and choices in other countries, exclusionary leverage means granting or denying access to China's own domestic market in an effort to generate pressure.³⁵ A variation of exclusion occurred in 2018 when China's *Peace Ark* visited ports in the fourth island chain to deliver medical aid, but ignored fragile nations like Nauru and the Solomon Islands which also recognise Taiwan. Exclusionary leverage was recently applied via major international airlines. In April 2018, China's civil aviation authority sent letters to 36 foreign airlines demanding that any language that implied that Taiwan was an independent nation-state be changed to indicate that the island is part of China. In July, Australia's major airline, Qantas, decided to comply with these instructions, joining at least 7 others which also have all publicly changed the way they refer to Taiwan.³⁶ Such a change is significantly more than a semantic anomaly, but a deeper political distinction of sovereignty aiming to shape global perception over Taiwan's future without resorting to direct coercive methods.

Feigenbaum's coercive leverage remains the most direct approach. China doesn't simply wield access to its market as a means to generate leverage but attempts to inflict discrete punishments tied to discrete offenses.³⁷ In the case of Palau, China declared it an illegal tourist destination due to its status as one of 17 declared allies with Taiwan thereby bankrupting Palau's major airline and compromising the tourism-based economy.³⁸ Palau is the first instance of coercive leverage applied in the second island chain surrounding recognition of Taiwan, thereby establishing the possibility for future tension with Oceanic stakeholders over the same issue. Lastly, China retains latent economic leverage, which could be viewed as the final power play over contentious issues that might appear diplomatically unresolvable or a way to attain strategic advantage.³⁹ Latency manifesting as China's ownership of national debt is a key measurement for

judging potential to wield influence in the fourth island chain. Chinese loans account for more than 60 percent of Tonga’s total external debt, equating to more than one third of GDP; and almost half the external debt of Vanuatu. In dollar figures, PNG has the biggest debt to China, at \$590 million, representing about one-quarter of total external debt.⁴⁰ Consequently, both Vanuatu and PNG both recognise Chinese territorial claims in the South China Sea. Chinese enmeshment in fragile Oceanic nations is the initial way to view the Indian Ocean Model establishing the potential for generating influence and applying leverage. Table 1 aggregates the data of the Indian Ocean Model applied in select areas of Oceania providing future opportunities in support of Chinese maritime power projection.

Nation	Chinese aid 2006-17	Largest FDI partner	Debt to China	Strategic facilities	Naval Visits
Fiji	\$650M	China	\$516M	Blackrock base facilities	2014, 2018
FSM	\$126M	South Korea	N/A	Pohnpei Port & AF	None
PNG	\$1.7B	China	\$590M	Manus Is port facility	2014, 2018
Samoa	\$399M	Not available	\$410M	Port Vaiusu (in progress)	None
Tonga	\$202M	Australia	\$115M	Port Nukualofa / Fuaamotu AF	2014, 2018
Vanuatu	\$439M	Australia	\$220M	Luganville Wharf	2014, 2018
Timor Leste	\$130M	Indonesia	N/A	Tibar Bay Port	2016, 2017

Table 1: Chinese influence efforts in select areas of the Fourth Island Chain⁴¹

Interpreting the data from Table 1 illustrates specific ‘hot-spots’ within the fourth island chain. China’s inroads to gaining influence in PNG, Fiji, and Samoa share the common characteristic of high levels of national debt and strategically viable facilities for future Chinese use. Port visits by PLAN warships in Samoa or Timor Leste by 2022, or increased medical aid from the *Peace Ark*, would represent one indication of escalation along the same trajectory out to 2026. Similarly, an increase in debt by either Vanuatu or Tonga would demonstrate Chinese intent to use latent leverage with further visits from 2025 on a possibly accelerating 2-year cyclical basis. Finally, the most troubling escalation in the model would be for either PNG or Vanuatu to establish a Chinese basing footprint similar to the Lean Colonial model described by Yung between 2025-

30 – such a footprint would signal an irreversible escalation of China’s influence in the fourth island chain and absolute alteration of the Indo-Pacific balance of power.

Contesting the Fourth Island Chain

Designating a “Fourth Island Chain” is intended to unify future operations in Oceania employing economic support and security cooperation to degrade Chinese influence as part of an allied competitive strategy – aiming to out-spend and out-influence. In his seminal work on net assessment, Andrew Marshall posited that during the course of long-term competition, adversaries would logically seek to gain significant strategic advantages to determine the outcome of conflict. Further, adversaries would find ways during periods of peace to translate those strategic advantages into geopolitical capital thereby enhancing security and prosperity, whilst undermining or destroying the position of their opponent. The competitive strategy approach, over time, would lessen the military options available to an adversary and also presumably encourage a change in political behavior, as their leadership loses confidence that things were moving in their favour.⁴² Travis Reese argues toward beating the Chinese at their own game – to incorporate competitive economic tools into a broader framework for managing China’s regional military incursions. He states: “Economic and trade engagement can deny opportunities for Chinese investors to conduct the economically exploitative tactics, which presage military overtures... China made loan arrangements it knew would result in debt traps, which it then exploited to introduce military presence as a condition of loan renegotiation.”⁴³ Aiming to disrupt Chinese influence efforts to gain basing rights beyond 2025, outspending China via combined aid delivery in the fourth island chain should be the first tranche in an enduring competitive strategy.

Lowy Institute figures for aid spending in Oceania over the past decade to 2016 demonstrate that China is not in the lead when it comes to actual funds committed. Australia and New Zealand committed 55% of aid to Oceania over 2011-2016 with Australia providing 42% alone in 2016. This does not mean the traditional aid providers will maintain the initiative as overall aid to the region shrank throughout 2011-2016 by 20%.⁴⁴ NZ recently announced a ‘Pacific Reset’ with the accompanying pledge to spend \$498 million in the region. Australia also committed \$2 billion in

regional infrastructure projects and support to Australian businesses operating in the region.⁴⁵ Australia and NZ spent 0.23% and 0.25% of GNI on aid respectively to the fourth island chain in 2017 figures.⁴⁶ A nominal increase in these figures of 0.2% GNI per year until 2025 is likely to maintain the status quo, barely. Combining these projections with nominal increases in France's 0.91% (\$120 million) and US 7.75% (\$1.03 billion) 2017 contribution to overall aid will likely outspend China's present \$3.5 billion commitment projected to 2021 – even doubling aid from the US and France would equate to an aggregate increase of only \$2.5 billion annually to outspend China. Writing for ASPI, Johnathan Pryke suggests that France should focus on reversing the trend of declining aid and focus on continuing to crack out of its territorial shell in the Pacific.⁴⁷ Of critical importance to US engagement in the fourth island chain is the 2023 expiration of the Compact of Free Association aimed principally at Pacific nations like the FSM who have unreliable disclosure of national debt.⁴⁸ The renewal of this compact would ensure financial viability of the FSM and strategic trust for the US; also serving to deny Chinese naval visits through the US' own active leverage.

Complementary to collectively outspending China is the proposed saturation of the fourth island chain through multilateral security cooperation that creates enduring strategic facilities and cooperative relationships to 2035. The key outcome of the Indian Ocean Model when applied to Oceania is establishing the means to project maritime power preceded by a period of investment to foster leverage. Reese's recommendation could be applied across all allied stakeholders: "The US should support manageable and responsible investment, but it cannot simply buy its way into military partnerships as an explicit condition of economic support... it should introduce security arrangements in a way that takes into account the host nation's perspective, while still eliminating China's opportunity to commence an economic approach resulting in a military outcome."⁴⁹ The focal areas of Fiji, PNG, Tonga, and Vanuatu could become the future contested points in degrading Chinese influence to 2025 and denying a presence to 2035 and beyond. The United States, while it retains primacy in the Asia-Pacific region as a whole, looks to Australia to take the lead on regional security for the South West Pacific, while it retains direct responsibility in the North Pacific. New

Zealand provides for the security of Cook Islands, Niue, and Tokelau, while France guarantees the security of the French Pacific with defense forces based in New Caledonia and French Polynesia.⁵⁰ Australia recently announced an increased military presence in the region, a joint naval base on Manus Island, annual meetings between defense, police, and border forces, and new diplomatic posts.⁵¹ A requisite presence increase by NZ and France complemented by the US would serve to enhance this commitment into the future. The 2017 *Joint statement of enhanced strategic partnership between Australia and France* offers a military partnership blueprint only bilaterally deepening the 1992 France, Australia, and New Zealand (FRANZ) agreement. FRANZ is a civilian-led arrangement supported by defence forces.⁵² Widening the FRANZ agreement to include interoperability outlined in the 2017 Australia-France Joint Statement, including US and NZ military capabilities as part of an enhanced Australian-led Defence Cooperation Program (DCP), plus creating an organisation to coordinate responsible multilateral economic aid and investment is a useful start point for enhancing the current strategic arrangement for supporting the fragile nations in the fourth island chain.

Pursuing strategic objectives in Oceania will count for nothing without strategic buy-in from the Pacific Islands Forum (PIF). R.A. Herr argues that a fundamental divergence in perspectives on security objectives between those outside the region and those inside has become a source of tension in proposals for remodeling the overall architecture. Given the dependence on extra-regional support for the Pacific Islands regional system and the present competing great-power influence, it is unlikely that future changes will engender independent security arrangements for regional states.⁵³ Evolving Australia's DCP with support from multilateral sources like France and NZ in the future will likely foster a sense of superior regional strategic interoperability. Edel suggests the United States also needs to realise that its concern about Chinese attempts to extend its influence in the region is not necessarily a primary concern for Pacific Islanders. It is true that a growing number of Pacific states resent China's coercive activities, but this could easily become true for the activities of any external power in the region – the key is to approach the strategic challenge by earning trust.⁵⁴ Seeking a permanent presence that complements the long-term goals

of the nations within the fourth island chain, specifically within Fiji, PNG, Tonga, and Vanuatu will be the key to maintaining strategic trust.

Through continuation of the Indian Ocean model of a deliberate sequence of investment linked to military visitation based on the geographic importance of infrastructure needed for maritime power projection, China's encroachment strategy will expand unchecked into Oceania. This leaves fragile nations vulnerable to coercion, or in the very least, enables China to wield undue leverage to accomplish its own goals and change the balance of power. China will likely employ the lean colonial approach out to 2025 with the ability to accelerate port visitation annually where opportunities permit the possibility of forward basing. As conditions favour, China will likely develop a lasting maritime power projection footprint in support of enhanced economic inroads to South America toward 2030 and beyond. In March 2018, NZ Foreign Minister Winston Peters stated: "We need to better pool our energies and resources to maintain our relative influence."⁵⁵ Designating a "Fourth Island Chain" is intended to unify future operations in Oceania around common goals of security cooperation, supported by economic engagement to degrade Chinese influence as part of an allied competitive strategy. Increasing aid expenditure by Australia and NZ through nominal increases as percentage of GNI over the next decade in tandem with doubled spending by the US and France will counter Chinese attempts to buy influence in the economic dimension. Multilaterally deepening present security arrangements like Australia's DCP to include contributions by the US, France and NZ beyond 2022 in support of contingencies such as the possibility of New Caledonian Independence will support local security cooperation. Widening the FRANZ agreement to include US capabilities and incorporating responsible aid dispersal will engender greater strategic trust; and by establishing permanent basing arrangements in the focal areas of Fiji, PNG, Tonga, and Vanuatu, US-aligned strategic stakeholders will serve to counter Chinese influence efforts beyond the current island chains and maintain a unified strategic advantage into the future.

¹ Bernard Brodie, *Strategy in the Missile Age*. (Princeton: Princeton University Press, 1959), also cited in Colin Gray, *Fighting Talk*. (Lincoln: Potomac Press, 2007), 138. Gray offers: Defence costs are certain but security benefits are uncertain and arguable. Gray interprets Brodie by simply saying that only when threats are unmistakably present or

absent, can one develop defence policy and strategy with high confidence. The subject of this paper is to identify a way to unify different national strategic agendas by using geography as a cohesive start point for countering influence operations and then implementing an allied competitive strategy to out-spend and out-influence.

² Thomas J. Wright. *All Measures Short of War*. (London: Yale University Press, 2017), 183.

³ Oceania essentially comprises the island groupings of Micronesia, Melanesia, and Polynesia in the Southern Pacific Ocean. More relevant to the modern notions of the Westphalian system, and in alphabetical order, the fourteen nation-states of Oceania are Australia, Fiji, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. For all intents and purposes, geography stipulates the French colonies of New Caledonia and French Polynesia are considered among the Oceanic islands also. These nations will be the subject of any discussion on 'Oceania' unless mentioned specifically otherwise.

⁴ Andrew S. Erickson and Joel Wuthnow "Barriers, Springboards and Benchmarks: China Conceptualises the Pacific Island Chains", *The China Quarterly*, Vol 225 (March 2016), 1-22. Reference to island chains in the US strategic lexicon dates as far back as 1948, but credit should remain with the initial three chains suggested by John Foster Dulles in 1952. The conceptual idea originally related to the containment of communism, enhanced defence expenditure, and an increased nuclear arsenal which Dulles penned for a May 1952 *Life* magazine article: John Foster Dulles, "A Policy of Boldness", *Life*, Vol 32 (19 May 1952), 146-60 cited in Peter A. Poole, "John Foster Dulles: Hardliner or Tightrope walker?" *Foreign Service Journal* (October 1979), 30.

⁵ Martin Jacques, *When China Rules the World*. (New York: Penguin, 2012), 344.

⁶ Zicheng Ye, *Inside China's Grand Strategy*. (Kentucky: Kentucky University Press, 2011), 119 and 204. Of note, Australia and New Zealand are not directly referred to but placed in SE Asia as periphery nations.

⁷ Yongjin Zhang, "China and Liberal Hierarchies in Global International Society: Power and Negotiation for Normative Change", *International Affairs*, 92:4 (2016), 797.

⁸ The term 'legalist' represents the modern interpretation of the definition in the context of 'rules based order' absent the realist connotations normally applied to a realist point of view typically associated with the ancient Chinese legalists who believed in 'rich state powerful army'. A useful description of the latter is available online:

<https://plato.stanford.edu/entries/chinese-legalism/>

⁹ Yun Sun, "China's Preferred World Order: What Does China Want?" PACNET No. 62, *Pacific Forum CSIS*, September 21, 2015, 2.

¹⁰ Thomas J. Wright. *All Measures Short of War*. (London: Yale University Press, 2017), 82.

¹¹ *Ibid*, 87.

¹² *Ibid*, 86.

¹³ Clive Hamilton. "Australia's fight against Chinese Political Interference: What its new laws will do", *Foreign Affairs*, 26 July 2018. <https://www.foreignaffairs.com/articles/australia/2018-07-26/australias-fight-against-chinese-political-interference>. Accessed 25 Oct 2018.

¹⁴ US EIA Gross Oil Import Data qualitatively analysed, <https://www.maritime-executive.com/article/china-surpasses-us-as-largest-crude-oil-importer>. Figures originally supplied by Bloomberg, February 2018. Accessed 25 Oct 2018. This article describes a falling domestic production of 2% annually, but the greatest annual increase in consumption on earth.

¹⁵ Benjamin David Baker, "Where is the 'String of Pearls' in 2015?" *The Diplomat*, October 5, 2015, www.thediplomat.com/2015/10/where-is-the-string-of-pearls-in-2015/. Accessed 25 Oct 2018.

¹⁶ Christopher Yung, et. al. "Not an Idea We Have to Shun: Chinese Overseas Basing Requirements for the Twenty First Century", *China Strategic Perspectives* #7, (NDU Press, October 2014), 13. According to Dr. Yung, Germany's Pacific colonies, which at one time stretched from mainland China to just north of Australia and New Zealand, illustrate the Lean Colonial Model. With the exception of the Qingdao port in China, German colonial possessions were initially established by trading companies acting without government support. Germany supported these colonies financially, but they were viewed primarily as a source of imperial prestige to generate international influence. German colonies developed ports to support commercial operations but did not invest in defensive fortifications or infrastructure to support naval operations. The German Asiatic Squadron's operations from Qingdao were infrequent and poorly supplied. The squadron's logistics network was based on contracts with private companies, which greatly limited its operational capacity and range in the event of a conflict. The German Navy planned to use the squadron to harass British and American ships in the Pacific and to prevent a shifting of assets to the Atlantic rather than to defend German colonies.

¹⁷ Database on Chinese FDI figures <https://chinapower.csis.org/china-foreign-direct-investment/> Accessed 25 Oct 2018

¹⁸ Chinese Plans in Seychelles revive Indian fears of encirclement, *The Guardian*, 22 March 2012.

<https://www.theguardian.com/world/2012/mar/22/china-seychelles-indian-fears-encirclement> Accessed 25 Oct 2018.

¹⁹ Database on Chinese FDI figures <https://chinapower.csis.org/china-foreign-direct-investment/> Accessed 25 Oct 2018

²⁰ Vanessa Qian. Infrastructure and National Debt in Kenya <https://www.npr.org/2018/10/08/641625157/a-new-chinese-funded-railway-in-kenya-sparks-debt-trap-fears> Accessed 25 Oct 2018.

-
- ²¹ Sudha Ramachandra. "The China Maldives Connection" *The Diplomat*, 25 January 2018. <https://thediplomat.com/2018/01/the-china-maldives-connection/> Accessed 25 Oct 2018.
- ²² Tim Fernholz. "Eight countries threatened by Belt and Road debt" *Quartz*, data from Centre for Global Development. <https://www.theatlantic.com/charts/B1KxGipdf> and *Ibid*. Accessed 25 Oct 2018.
- ²³ Monica Wang. "China's strategy in Djibouti: Mixing military and commercial interests" *Asia Unbound, Council on Foreign Relations*, 13 April, 2018. <https://www.cfr.org/blog/chinas-strategy-djibouti-mixing-commercial-and-military-interests> and Katrina Manson. "Jostling for Djibouti", *Financial Times*, 1 April 2016. <https://www.ft.com/content/8c33eefc-f6c1-11e5-803c-d27c7117d132> Accessed 25 Oct 2018.
- ²⁴ Gurmeet Kanwal. "Pakistan's Gwadar Port: A new naval base in China's String of Pearls in the Indo-Pacific", in Nicholas Szechenyi ed. *China's Maritime Silk Road: Strategic and Economic implications for the Indo-Pacific Region*, (Washington, DC: CSIS, March 2018) 13. When completed, it will have three 200-metre-long berths and one Roll-on Roll-off (RORO) facility. At present the port has the capacity to handle 50,000 deadweight tonnage (DWT) bulk carriers drawing up to 12.5 metres. The only PLAN ship presently exceeding the DWT capacity is the aircraft carrier *Liaoning* – possibilities for the projection of other PLAN capabilities are implicit.
- ²⁵ Terence Wesley-Smith and Edgar A. Porter. *China in Oceania: Reshaping the Pacific?* (New York: Berghahn Books, 2010), 2.
- ²⁶ Seth Crospey, "China sets its Sights on South America", *The American Interest*, <https://www.the-american-interest.com/2018/04/09/china-sets-sights-south-america/>
- ²⁷ Chatham House Resource Trade Database, cited in Joint Chatham House and DRC Report. "Navigating the New Normal: China and Global Resource Governance". (London: Royal Institute for International Relations, 2016), 9.
- ²⁸ Thomas C. Schelling. *Arms and Influence*. (New Haven: Yale University Press, 1966), 4. In the context of nation states, coercion requires one polity finding a bargain, arranging for another polity to be better off doing what the first requires when the threatened penalty is taken into account.
- ²⁹ Charles Edel. "How to Counter China's Influence in the South Pacific", *Foreign Affairs*, 13 November 2018, https://www.foreignaffairs.com/articles/china/2018-11-13/how-counter-chinas-influence-south-pacific?cid=nlc-fa_fatoday-20181113
- ³⁰ Rod Lyon. *Strategic Contours: The Rise of Asia and Australian Strategic Policy* (Canberra: ASPI, 2012), 17.
- ³¹ Evan Feigenbaum. "Is Coercion the New Normal in China's Economic Statecraft?" *MarcoPolo*. 25 July 2017.
- ³² Anne Holmes, Australia's economic relationships with China, Australian Parliament. 2018.
- ³³ Nick O'Malley. "This is just the start: China-Australia Tensions brought to the surface" *The Sydney Morning Herald*. 25 May 2018. <https://www.smh.com.au/politics/federal/this-is-just-the-start-china-australia-tensions-brought-to-the-surface-20180525-p4zhid.html>
- ³⁴ Jian Yang. *The Pacific Islands in China's Grand Strategy: Small States, Big Games*. (New York: Palgrave Macmillan, 2011), 103.
- ³⁵ Evan Feigenbaum. "Is Coercion the New Normal in China's Economic Statecraft?"
- ³⁶ <https://thediplomat.com/2018/06/the-qantas-quandary-is-taiwan-in-china/>
- ³⁷ Evan Feigenbaum. "Is Coercion the New Normal in China's Economic Statecraft?"
- ³⁸ Farah Master. "Empty hotels, idle boats: what happens when a Pacific Island upsets China" *Reuters Online*, 19 August 2018. <https://www.reuters.com/article/us-pacific-china-palau-insight/empty-hotels-idle-boats-what-happens-when-a-pacific-island-upsets-china-idUSKBN1L4036> Accessed 25 October 2018.
- ³⁹ Evan Feigenbaum. "Is Coercion the New Normal in China's Economic Statecraft?"
- ⁴⁰ <https://www.reuters.com/article/us-pacific-debt-china-insight/payment-due-pacific-islands-in-the-red-as-debts-to-china-mount-idUSKBN1KK2J4>
- ⁴¹ Data for this table is derived from aid figures provided by the body of work done by the Lowy Institute which was released in 2018. Aid figures are an aggregate of 2006-2016 with additions from 2017. The figures represent aid spent as opposed to aid committed. FDI calculations are not often transparent, but a broad search netted a persistent return on the data. Samoan FDI was simply not transparent enough to be considered reliable data. Similarly, foreign debt levels of Timor Leste and Micronesia were not consistent to provide an accurate figure for 2017-18. Strategic facilities are those ports or airfields that offer the ability to land, as a minimum, a C130-equivalent or berth a minimum 130m vessel representing a Chinese frigate. Lastly, naval visits were mostly undertaken by the Peace Ark, less the Timor Leste visits which were Chinese warships.
- ⁴² Andrew Krepinevich and Barry Watts. *The Last Warrior: Andrew Marshall and the shaping of modern American defence strategy*. (New York: Basic Books, 2015), Chapter 4. Marshall was influenced by the strategy of highly successful businesses, in particular the notion of exploiting a firm's particular strengths in order to capture markets and drive rivals out of specific business areas. Marshall assumed that it was still possible for one side to gain such advantages in the strategic competition that it would force the other to make fundamental concessions in their relationship, including abandonment of the strategic competition.

⁴³ Travis Reese. “Beating them at their Own Game: The economic dimension of competing with China”, *War on the Rocks*, 09 August, 2018.

⁴⁴ Lowy Institute Data from online database.

⁴⁵ Charles Edel. “How to Counter China’s Influence in the South Pacific”, *Foreign Affairs*, 13 November 2018, https://www.foreignaffairs.com/articles/china/2018-11-13/how-counter-chinas-influence-south-pacific?cid=nlc-fa_fatoday-20181113

⁴⁶ Alexandre Dayant and Johnathan Pryke. “Pivoting to the Pacific”, Australian Strategic Policy Institute, 9 Aug 2018. <https://www.aspistrategist.org.au/pivoting-to-the-pacific/> Accessed 30 November 2018.

⁴⁷ Ibid.

⁴⁸ See endnote 39 for comments associated with disclosure of Table 1 figures for FDI and national debt.

⁴⁹ Travis Reese. “Beating them at their Own Game: The economic dimension of competing with China”, *War on the Rocks*, 09 August, 2018.

⁵⁰ Jenny Hayward-Jones. “Australia and Security in the Pacific Islands Region” in Reuben Azizian and Carleton Cramer (eds) *Regionalism, Security, and Cooperation in Oceania*. (Honolulu: Asia-Pacific Centre for Security Studies, 2015),

⁵¹ Charles Edel. “How to Counter China’s Influence in the South Pacific”, *Foreign Affairs*, 13 November 2018, https://www.foreignaffairs.com/articles/china/2018-11-13/how-counter-chinas-influence-south-pacific?cid=nlc-fa_fatoday-20181113 Key diplomatic outposts identified are in the Cook Islands, French Polynesia, the Marshall Islands, Niue, and Palau.

⁵² Under the FRANZ arrangement the three partners agree to coordinate disaster reconnaissance and relief assistance in the Pacific when requested by partner countries.

⁵³ R.A. Herr. “Regional Security Architecture in the Pacific Islands Region: Rummaging through the Blueprints” in Reuben Azizian and Carleton Cramer (eds) *Regionalism, Security, and Cooperation in Oceania*. (Honolulu: Asia-Pacific Centre for Security Studies, 2015), 31.

⁵⁴ Charles Edel. “How to Counter China’s Influence in the South Pacific”, *Foreign Affairs*, 13 November 2018, https://www.foreignaffairs.com/articles/china/2018-11-13/how-counter-chinas-influence-south-pacific?cid=nlc-fa_fatoday-20181113

⁵⁵ Speech at Lowy Institute. 01 March, 2018. <https://www.lowyinstitute.org/publications/winston-peters-new-zealand-pacific>

Bibliography

- Azizian, Reuben and Cramer, Carleton (eds) *Regionalism, Security, and Cooperation in Oceania*. Honolulu: Asia-Pacific Centre for Security Studies, 2015.
- Allison, Graham. *Destined for War*. New York: Houghton Press, 2017.
- Albert, Eleanor. “Competition in the Indian Ocean”, *Council on Foreign Relations*, 19 May 2016.
- Baker, Benjamin D. “Where is the ‘String of Pearls’ in 2015?” *The Diplomat*, October 5, 2015.
- Brodie, Bernard. *Strategy in the Missile Age*. Princeton: Princeton University Press, 1959.
- Christensen, Thomas. *The China Challenge*. New York: Norton and Company, 2015.
- Department of Foreign Affairs and Trade. *2017 Foreign Policy White Paper*. Canberra: Government Publishing Service, November 2017.
- Department of Foreign Affairs and Trade. *Joint statement of enhanced strategic partnership between Australia and France*. Canberra: Government Publishing Service, 3 March 2017.
- Department of Defence. *2016 Defence White Paper*. Canberra: Government Publishing Service, 2016.
- Edel, Charles. “How to Counter China’s Influence in the South Pacific”, *Foreign Affairs*, 13 November 2018.
- Erickson, Andrew S. and Wuthnow, Joel. “Barriers, Springboards and Benchmarks: China Conceptualises the Pacific Island Chains”, *The China Quarterly*, Vol 225. March, 2016.
- Feigenbaum, Evan. “Is Coercion the New Normal in China’s Economic Statecraft?” *MarcoPolo*. 25 July 2017.
- Feigenbaum, Evan. “Reluctant Stakeholder: Why China’s Highly Strategic Brand of Revisionism is More Challenging Than Washington Thinks”, *MarcoPolo*, 27 April 2018.
- Gill, Bates and Jakobson, Linda. *China Matters*. Melbourne: La Trobe University Press, 2017.
- Godbole, Shruti. “Perspectives on Pacific Geopolitics”, *Brookings*, 11 May 2018.
- Gray, Colin. *Fighting Talk*. Lincoln: Potomac Press, 2007.
- Holmes, Anne. *Australia’s economic relationships with China*. Australian Parliament, 2018.
- Jacques, Martin. *When China Rules the World*. New York: Penguin, 2012.
- Kamphausen, Roy, et al. *Beyond the Strait: PLA Missions other than Taiwan*. Carlisle: Strategic

Studies Institute, 2009.

Kissinger, Henry. *On China*. London: Penguin, 2011.

Krepinevich, Andrew and Barry Watts. *The Last Warrior: Andrew Marshall and the shaping of modern American defence strategy*. New York: Basic Books, 2015.

Kurlantzick, Joshua. “Australia, New Zealand Face China’s Influence”, *The Council on Foreign Relations*. 13 December 2017.

Lyon, Rod. *Strategic Contours: The Rise of Asia and Australian Strategic Policy*. Canberra: ASPI, 2012.

Ministry of Defense (France), *France and Security in the Asia Pacific*. Directorate General for International Relations and Strategy, June, 2016.

New Zealand Government, *Strategic Defence Policy Statement 2018*. Wellington: Ministry of Defence, July 2018.

New Zealand Government, *Strategic Intentions 2017-2021*. Wellington: Ministry of Foreign Affairs and Trade, 2016.

Office of the Secretary of Defense, *Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China 2018*. US Department of Defense, 8 May 2018.

Pehrson, Christopher. *String of Pearls: Meeting the challenge of China’s rising power across the Asian littoral*. Carlisle: Strategic Studies Institute, 2006.

Poole, Peter A. “John Foster Dulles: Hardliner or Tightrope walker?” *Foreign Service Journal*. October, 1979.

Reese, Travis. “Beating them at their Own Game: The economic dimension of competing with China”, *War on the Rocks*, 09 August, 2018.

Schelling, Thomas C. *Arms and Influence*. New Haven: Yale University Press, 1966.

Sun, Tom and Payette, Alex. “China’s Two Ocean Strategy: Controlling Waterways and the New Silk Road”, *IRIS, Asia Focus* #31, May 2017.

Sun, Yun. “China’s Preferred World Order: What Does China Want?” PACNET No. 62, *Pacific Forum CSIS*, September 21, 2015

Swaine, Michael and Tellis, Ashley. *Interpreting China’s Grand Strategy: Past, Present, and Future*. Washington: RAND, 2000.

Szechenyi, Nicholas (ed). *China’s Maritime Silk Road: Strategic and Economic Implications for the Indo-Pacific Region*. Washington: CSIS, March 2018.

United States Government, *National Security Strategy 2017*. Washington: US Government, December 2017.

United States Government, *National Defense Strategy 2018*. Washington: US Government, 2018.

Wesley-Smith, Terence and Porter, Edgar. *China in Oceania: Reshaping the Pacific?* New York: Berghan Books, 2010.

White, Hugh. *The China Choice*. Oxford: Oxford University Press, 2013.

Wright, Thomas. *All Measures Short of War*. London: Yale University Press, 2017.

Wyeth, Grant. "France in the Pacific: Growing ties with Australia", *The Diplomat*, 16 October 2017.

Yang, Jian. *The Pacific Islands in China's Grand Strategy: Small States, Big Games*. New York: Palgrave Macmillan, 2011.

Yung, Christopher et. al. "Not an Idea We Have to Shun: Chinese Overseas Basing Requirements for the Twenty First Century", *China Strategic Perspectives* #7, NDU Press, October 2014.

Ye, Zicheng. *Inside China's Grand Strategy*. Kentucky: Kentucky University Press, 2011.

Zhang, Yongjin. "China and Liberal Hierarchies in Global International Society: Power and Negotiation for Normative Change", *International Affairs*, 92:4, 2016.

Zhao, Suisheng. "A New Model of Great Power Relationship and China-US Competition in the Asia-Pacific", *ISPI*, Analysis No. 211, November 2013.