



Security Nexus Perspective

SHAPING ACCESS TERRAIN: ACCEPTING THE LOAN, CEDING THE TERRAIN

By Deon Canyon

Summary

This paper is the third in a series on access, basing, and overflight (ABO) decisions for hedging states. The first examines what states trade when they sign. The second examines what they trade when they refuse. This paper addresses a third and distinct path. What happens when a state accepts infrastructure financing without establishing access conditions and discovers too late that the terrain was shaped without its participation.

Whoever shapes the terrain first sets the conditions for everyone who follows. A state that structures the access implications of its ports, airstrips, and logistics infrastructure before construction begins retains the ability to contest, condition, and deny external use. A state that accepts infrastructure financing without establishing those terms allows someone else to shape the access terrain on its territory. This paper introduces access terrain as a strategic concept. It refers to the legal, institutional, and operational conditions governing who can use strategically significant infrastructure, on what terms, and subject to whose approval. It argues that the moment to shape it is before the first concrete is poured. Cambodia, Vanuatu, and the trajectory of Kiribati illustrate what happens when it is not.

Introduction

Picture the foreign minister again. This time he is not deciding whether to sign and on what terms, as his counterpart in the first paper was,ⁱ or announcing a refusal and discovering its downstream costs, as his counterpart in the second paper did.ⁱⁱ He made no structured decision at all. He accepted a grant for an infrastructure feasibility study and handed the project to his development ministry. He approved a port extension loan from a state-owned bank because the terms were favorable and the domestic coalition that

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needed managing wanted visible development. He told himself he would deal with the strategic question later, when conditions were clearer, when the domestic politics were less complicated, when the request arrived in a form that required a formal response.

The request never came in that form. What came instead was a pier capable of accommodating large warships, a section of his naval base off-limits to his own personnel, and a notification, not a request, that vessels from a foreign navy would be conducting exercises at the facility. He is not a party to the decision about his territory. He is the location.

Papers 1 and 2 addressed the costs of structuring access and the costs of refusing it. Both assumed a decision had been made. This paper addresses a different mechanism entirely. The Solomon Islands case examined in Paper 2 illustrates what happens when absence creates the opening -- thirty years of Western disengagement that left the terrain available for someone else to shape. The cases here involve active financing acceptance without access conditions. That is a faster pathway to the same result, and it is spreading across the Indo-Pacific through development lending rather than diplomatic vacancy. The access terrain was shaped, but the host state was not the one doing the shaping.

Access Terrain: What Existing Literature Does Not Address

The literature on overseas basing^{iii, iv} and hedging strategy^{v, vi, vii} explains bargaining dynamics and the gap between formal and practical sovereignty. What it does not address is the sovereignty cost of never structuring the access question at all. Krasner's^{viii} distinction between juridical and operational sovereignty captures the gap between legal title and practical control, but it does not account for cases where that gap is opened not by a coerced agreement but by a development loan accepted without assessing the access implications. Prior scholarship assumes a state has entered an access relationship and asks how well it managed the terms. This paper asks what happens when no access relationship is structured and the terrain fills itself.

Access terrain, as introduced here, describes the legal, institutional, and operational conditions that govern external use of a state's strategically significant infrastructure. Shaped access terrain means the host state has established what the infrastructure can be used for, by whom, subject to what notification and approval requirements, and on what grounds use can be denied or terminated. Unshaped access terrain means those questions have no answers until someone else provides them through operational practice.

Decisional sovereignty, defined in Paper 1 as the autonomy to determine when, with whom, and under what conditions a state employs its foreign policy and security instruments, provides the primary analytical lens. It has three operational components. Consent architecture is the legal and institutional framework through which access is granted, conditioned, and reviewed. Monitoring capacity is the practical ability to detect whether access is operating within agreed parameters or has drifted. Revocation credibility is not the nominal right to terminate an arrangement but the political will and institutional capability to exercise that right in practice. A state that possesses all three has shaped its access terrain. A state that possesses none has left it available for others to shape.

The no-decision path forfeits all three simultaneously. It produces no consent architecture because no access terms were negotiated. It generates no monitoring capacity because nothing established what was to be monitored. It forfeits revocation credibility because there is nothing to revoke. A state may hold multiple agreements, such as loan contracts, port development memoranda, or construction frameworks, and still have left its access terrain entirely unaddressed. The states in the cases below had agreements. They simply had none that shaped the access conditions of what they built.

Infrastructure as the Access Instrument

Cambodia's constitution explicitly prohibits foreign military bases. In 2019, Prime Minister Hun Sen stated that hosting a foreign military base was constitutionally impossible. That same year, the *Wall Street Journal* reported, citing US and allied officials, that China and Cambodia had signed a secret agreement providing exclusive rights to part of Ream Naval Base for thirty years with automatic ten-year renewal terms, permitting the stationing of personnel, storage of weapons, and berthing of warships.^{ix} Both governments denied it. The constitutional prohibition, Hun Sen argued, made such an arrangement impossible.

What the prohibition made impossible was a transparent agreement with embedded sovereignty protections. The access outcome arrived through a different instrument. China financed construction of a new deep-water pier at Ream through a state-owned enterprise beginning in 2021, creating berthing capacity for large warships the existing shallow-water facilities could not receive. By December 2023, two Chinese PLA Navy corvettes were continuously present at the base, with a section of the facility off-limits to Cambodian personnel.^x *Washington Post* reporting confirmed that US officials believed China was constructing an exclusive naval facility for its military's use.^{xi}

The significance of Ream is not that the pier made continuous Chinese naval presence inevitable. It is that the pier created the physical conditions under which a sustained presence became operationally feasible and politically difficult to contest after the fact. Cambodia had not shaped the access terrain at Ream before construction began. It accepted development financing without establishing the consent architecture, monitoring capacity, or revocation procedures that would have given it tools to govern what the pier enabled. A constitutional prohibition is not a substitute for shaped access terrain. At Ream it guaranteed that when operational use materialized outside the prohibited form, no framework existed to contest it.

Vanuatu illustrates that the mechanism requires neither a secret agreement nor a constitutional provision, only a port extension. China's Shanghai Construction Group extended Luganville's wharf on Espiritu Santo by nearly 1,200 feet under a \$97 million Export-Import Bank loan framed as commercial development, creating berthing capacity for large warships at a harbor that served as the largest Allied naval base in the South Pacific during the Second World War.^{xii,xiii} No sovereignty assessment was conducted. In October 2024, a Chinese PLA Navy large guided-missile destroyer and a second destroyer made a port call at Port Vila, the first deployment of those classes to the South Pacific.^{xiv} A single port call does not demonstrate a sustained access regime. What it demonstrates is the consequence of unshaped terrain. Vanuatu had accepted infrastructure capable of receiving warships of that class without establishing any framework governing notification, approval, or grounds for declining.

Both cases follow the same structure. Financing was accepted. Infrastructure was built without access conditions. Operational use arrived on terrain the host state had never shaped. The result was not a violated agreement. It was an access outcome in a space where no sovereign rules existed. The claim here is narrow: infrastructure capable of supporting military operations, built on unshaped access terrain, lowers the threshold at which operational use becomes feasible and raises the cost of contesting it afterward.

The Forecasted Endpoint: Kiribati and Kanton Island

The Cambodia and Vanuatu cases are retrospective. Kiribati and Kanton Island illustrate where the same logic leads when geographic position is significant enough to attract sustained interest and financing has been accepted before access terrain was shaped. The Kanton case has not reached the operational stage of the cases above. It is included as a forward-looking illustration of the terrain problem, not as evidence of an access outcome already achieved.

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Kiribati severed diplomatic recognition of Taiwan in favor of Beijing in September 2019.^{xv} Reuters reported in 2021 that China had drawn up plans to upgrade the airstrip and bridge on Kanton Island, a coral atoll approximately 3,000 kilometers southwest of Hawaii positioned midway between Asia and the Americas. The Kanton airstrip, nearly two kilometers long, hosted Allied long-range bombers during the Second World War and sits astride trans-Pacific air and sea lanes connecting Hawaii, Guam, and Australia. One adviser to Pacific governments described a revitalized Kanton to Reuters as a fixed aircraft carrier. Kiribati's government confirmed that China had funded a feasibility study and described the project as civilian in purpose, intended to support commercial air travel and tourism on an island with approximately two dozen permanent residents and no existing tourism infrastructure.

The terrain problem at Kanton does not depend on what the airstrip is eventually used for. It depends on the fact that Kiribati has not shaped the access terrain. If construction proceeds and aircraft begin using the runway, access conditions will be established by operational practice rather than by terms Kiribati negotiated. Operational practice, once normalized, is far harder to contest than terrain shaped before the first flight. Kiribati controls one of the largest exclusive economic zones in the world and occupies geography of genuine strategic value. States with real geographic leverage have the most to gain from shaping access terrain before infrastructure is built, and the most to lose by deferring until the financing relationship has consumed the leverage they held.

Shaping Access Terrain Before Financing Is Accepted

The alternative to deferral is not a maximalist basing agreement or a formal alliance. It is shaping the access terrain before infrastructure goes in. This means establishing, as a condition of financing acceptance, a framework that governs the access implications of what is being built. States have tools for managing access relationships they have entered. They have almost no established practice for conditioning infrastructure financing on access terrain terms negotiated in advance.

Shaped access terrain requires that infrastructure with military utility be assessed for access implications before financing is accepted, not after construction is complete. The distinction between civilian development and military contingency access is not self-enforcing. It requires a legal framework that defines permissible and prohibited use, a notification mechanism that operationalizes it, and a termination procedure that makes the definition credible. A state that accepts infrastructure financing without those elements has left the boundary undrawn, leaving someone else to draw it.

The specific elements must be explicit, not assumed. Permissible use must be declared and prohibited use specified. Visits, transits, replenishment, and exercises must require advance notification and host-state approval. No single external actor should hold priority access to infrastructure the host state owns. Conversion of civilian infrastructure to military contingency use must require explicit consent through a defined process. Inspection rights must exist and be exercised. Termination procedures must be operationally usable, not merely legally nominal.

Capacity constraints are real. The states most exposed to unshaped access terrain are often those with the least institutional bandwidth to negotiate protective terms before accepting financing. For low-capacity states, minimum viable terrain shaping may be considerably easier. Something as simple as a declared-purpose clause, a notification requirement, and a written termination procedure are better than nothing, and nothing is what most of these arrangements currently contain. The point is not that every hedging state can replicate Singapore's administrative sophistication. It is that any terrain shaped before construction begins is harder to displace than a grievance raised after the warships arrive.

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The criterion for choosing a financing partner is whether that partner will accept terrain-shaping conditions: transparent legal basis, defined scope, host-state consent at key operational decision points, monitoring rights, and termination procedures usable in practice. Partners who accept terrain-shaping conditions make shaped access terrain possible. Partners who do not, regardless of how the financing is framed, are not offering development. They are offering access on terms the host state will not set.

Singapore is the operational reference for what practiced terrain shaping looks like over time. Singapore declined Major Non-NATO Ally status in 2003^{xvi} and declined to host a US First Fleet^{xvii}, exercising both refusals inside an ongoing structured access relationship that kept them credible and the relationship intact. The ability to say no remains real only when embedded in a relationship that makes its exercise routine. Cambodia, Vanuatu, and Kiribati never shaped the terrain within which a practiced refusal right could exist. By the time one was needed, there was, or maybe will be, no terrain to stand on.

Conclusion

The foreign minister in Paper 1 had a framework and used it. The foreign minister in Paper 2 discovered the downstream costs of refusal he had not priced. The foreign minister in this paper made no structured decision. He accepted development financing, approved infrastructure, and received notification about what was happening on his territory. He did not shape the access terrain. Someone else did.

Cambodia's last real opportunity to shape the access terrain at Ream was before the pier financing was accepted. Vanuatu's was before the Luganville wharf extension was agreed. Kiribati's is before the Kanton airstrip rehabilitation begins. Whoever shapes the terrain first sets the conditions for everyone who follows. A state that defers that work is not preserving neutrality. It is ceding the terrain.

The deepest risk to sovereignty in the Indo-Pacific is treating infrastructure and access as separate policy domains. The construction specifications establish the access conditions. The financing relationship sets the political context. By the time the vessels arrive or the aircraft begin using the runway, the terrain has already been shaped, but not by the state that owns it. States preserve sovereign control not by avoiding hard decisions indefinitely but by shaping the terms under which access decisions are made before operational facts reduce the range of available responses. The states that have done this remain parties to the decisions made about their territory. The ones that deferred are not. They are the location.



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