



PATRIOT GAMES

Island voices in a sea of contest

Key messages:

- » The Asia Pacific region is now the focus of global economic and strategic competition. This is presenting many opportunities – but also some dangers – to island states.
- » Pacific island nations would be well placed to work out what is in their long-term interest and have leaders willing to put forward their voice, and concerns, more prominently so as to help shape regional outcomes.
- » Regional powers may benefit from recalibrating relationships with Pacific states if they are to maintain influence. A starting point would be to take more heed of island concerns and develop a better understanding of the difficulties of balancing a variety of cultures within emerging nation states.
- » Pacific nations could benefit from China, the US and other powers having systems in place to better co-ordinate aid and security in the event of a crisis.

In terms of some of our values, such as respect for family and tradition, we may find ourselves more aligned with Eastern nations, while with respect to others, such as freedom and democracy, we may be closer to the West. It would be unfortunate if we found ourselves unable to support measures promoting these values from a fear that support for the nations proposing such measures would violate our neutrality.

- Peter Christian

IN VANUATU an Indonesian C-130 military plane arrives to dispense computers, tractors and offers of military training. In Tonga, government officials crunch numbers to service outstanding debts to China – nearly 30 per cent of GDP.¹ From Micronesia come calls to relax visa requirements for Chinese and Russians entering these once US dominated territories. In Darwin, the first rotation of US marines sets up camp in northern Australia for prepositioning in the event of contingencies in Melanesia and the South China Sea. Russia's foreign minister goes to Fiji, signaling a Russian 'pivot' into the Pacific, shadowing the US move. Everyone is 'pivoting' into the Pacific it seems. Israelis and Palestinians, the Arab League and Luxemburg, Cuba and the UAE. Even North Korea. All have come to court.

Around the Pacific new alliances, new fault-lines and new opportunities are opening up after decades of sleepy neglect. The Pacific is strategic again for the first time since World War Two, but the old ways no longer apply. The contest is no longer between one or two strong adversaries, but between at least nine significant powers: Australia, the US, China, Russia, Indonesia, India, Taiwan, Japan and the EU. The *Pacific 9* are using diplomacy, money and the power of ideas beyond military strength, to win hearts and minds, access natural resources and gain a handy UN vote. For Pacific island nations caught in the middle of this new Great Game, many are no longer pliant islanders accepting whatever fate deals them, but active, engaged players deciding their own alliances and future.

Unlike yesteryear, when slow communications and hesitant leadership meant island communities generally went along with our more powerful patrons, today light-speed communications, assertive diplomacy and a feast of choices make Pacific states far more independent – and flexible – in our external relations.

We hear much analysis from US think tanks, Chinese Generals, Australian academics and EU attachés about what the Asia-Pacific Century means, and how the great powers will cooperate or contest in this vast region. But almost nowhere do we hear what Pacific islanders themselves think or want - as if all the big decisions will be made for us, as the islands once again merely provide the backdrop for an international geopolitical chess game. This is dangerous for all sides; for islanders who might have to face a battlefield at home if leaders miscalculate alliance politics; and for superpowers who don't understand Pacific island culture and might find their best-made plans suddenly come unstuck due to local sensitivities. These islands are more than just strategic airfields and ports or 'permanent aircraft carriers' as some like to joke, but home to millions of people across one-third of the planet who share the same dreams as everyone for peace and prosperity.

This paper highlights Pacific island views and concerns, and introduces some island voices - serious strategic thinkers - to bring their perspective on what is being projected onto our islands.

1. *Joint IMF/World Bank Debt Sustainability Analysis 2010* - <http://www.imf.org/external/pubs/ft/dsa/pdf/dsacr10112.pdf> - estimates Tonga's total public sector debt stock rose substantially in 2008/09 and 2009/10, reaching over 50% of gross domestic product (GDP), and included two loans from China's Exim Bank together with face values totaling over 30% of GDP.

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Island allegiances

Some see their best interests in remaining aligned to traditional partners such as the US and Australia. Most Micronesian states still look east to the US as a key partner and protector, although many people bristle at US complacency and the overt militarisation of the islands. The US remains popular in the region but still faces many unresolved issues. Guamanians are unhappy with their constitutional status while some, including the indigenous Chamorro, worry about being 'the next Pearl Harbour' due to the US military buildup². Marshall Islanders remain angry for having been made nuclear guinea pigs. West Papuans feel betrayed by US policy and corporate greed. Increasingly, there are calls from American Samoan leaders for debate over the territory's status within the US.

France faces ongoing calls for independence in Tahiti and New Caledonia, but its generous support for local infrastructure and investment in culture has split the indigenous population and blunted the nationalist drive. The *Noumea Accord* provides for the gradual transfer of powers from France to the New Caledonian Government, with a referendum on independence due by the end of this decade. Australia was once critical of France in the Pacific, but this has changed and the two governments recently signed a joint declaration on strategic partnership.

Meanwhile Australia seems to have no policy for its immediate neighbourhood - Melanesia. As Canberra continues to concentrate on broader Pacific policies and bilateral relationships, Indonesia is increasingly filling the diplomatic and military gap across the Melanesian sub-region. Much of Melanesia is embracing a 'look north' policy towards Asia and Russia - seeking new opportunities for outside investment and no-strings-attached aid. Fiji signed a defence pact with Russia in 2008, while both China and India have sought a strategic foothold under Commodore Bainimarama's military government. Vanuatu, Nauru and Tuvalu have sided with Russia to recognise Caucasus breakaway states, including Abkhazia and South Ossetia.

Polynesian leaders came together last year to form a new sub-regional grouping – the Polynesian Union (along similar lines to the more established Melanesian Spearhead Group)³. Polynesia still remains mostly orientated towards longstanding US, French and New Zealand partners, but China is making concerted efforts in places like Tonga, Samoa and Niue. In Samoa, during celebrations marking 50 years of independence, Prime Minister Tuilaepa Sailele said that he welcomes Chinese assistance to provide buildings and other infrastructure that Australia, New Zealand and the US do not offer, and was scathing when asked about growing US-China competition in the Pacific:

It's all rubbish, some three years ago I was asked (by a US envoy) to have a meeting at the meeting of the Forum in Australia, and he asked me whether we would like the United States to do some projects for us. I said I do not know whether you are joking! We've asked the Americans many times but you never do anything for Samoa, so I'm wasting my time on you. All I can read very clearly is that you are only interested in areas where fighting - wars are fought. And I know why. So that it will help your industries, your war machines, but you're not interested in the Pacific because it is peaceful. And I know also you've promised many times the other islands in the Pacific for help, you really have been paying lip service to us⁴.

2. Guam is a US territory but its representative in the US Congress cannot cast a vote. The US military buildup is estimated to be worth \$15 billion, but original plans for hosting 8,000 marines have since been downsized.

3. Polynesian leaders gathered in Samoa in November 2011 to form the new grouping. It has also been referred to as the Polynesian Leaders Group.

4. Prime Minister Sailele interviewed by Radio Australia (<http://bit.ly/LugkQm>)

The idea of neutrality

On 3 May, 1886 the Reuters news service reported by telegraph from London that 'a convention has been signed on the part of Great Britain by Sir E.B. Malet, British Ambassador at Berlin, and on behalf of Germany by Prince Bismarck, setting forth the delimitations of the present future spheres of occupation in the Western Pacific'. Among other provisions, the convention stipulated 'the continued neutrality of Tonga and Samoa'. Holland also got involved, demarcating its Dutch New Guinea boundaries with German and British New Guinea. All of this was done without island consent, on the other side of the world.

Referring to this earlier carve-up, Senator Peter Christian, a member of the Federated States of Micronesia Congress says:

We are truly fortunate in the twenty-first century to be able to debate whether or not our island states should be neutral, rather than having such decisions imposed on us from thousands of miles away.

As island states come to terms with a new era where everyone is courting them, the idea of neutrality is being debated. Recently PNG and Fiji joined the Non Aligned Movement, as Vanuatu had done decades earlier.

Is it realistic, indeed desirable, for island states to adopt positions of neutrality? Peter Christian argues against it:

In this Pacific Century, the island states of our region have both the opportunity and a responsibility to engage with other nations as equal members of the world community and to be a force for peace and justice in the world. A retreat into self-imposed neutrality would be an abrogation of that responsibility and would ultimately prove to be unsustainable. I propose instead a posture of 'flexible engagement' with other nations based upon our shared values and mutual self-interests.

History has shown that the neutrality of small nations strategically situated between great powers can be terminated at will in a manner that could be described as nasty, brutish and short. Just ask Belgium, Estonia, Latvia or Lithuania⁵.

Few modern islands states have embraced political neutrality, but of all of them Vanuatu offers the closest example - as a robust independent republic, it provides clues to a more assertive Pacific leadership. It was the first and only Pacific nation to join the Non-Aligned Movement during the cold war and took an anti-nuclear stance, while 30 years of independent foreign policy has seen Vanuatu openly supporting regional independence movements in Timor Leste, West Papua, New Caledonia and Tahiti. This it did on principle, to support fellow islanders seeking nationhood. Today, under Prime Minister Sato Kilman, it has changed tack to orient towards Indonesia and Russia. Critics suggest this latest move appears to have been done for profit, not principle.

Vanuatu is also home to the secretariat of the Melanesian Spearhead Group (MSG), arguably making Port Vila the political capital of the Southwest Pacific, something not entirely grasped by its neighbours.

Vanuatu has the potential to be the 'Switzerland of the Pacific' but like most of the islands, may well get caught in a tug-of-war of varying intensity because of larger power rivalry.

5. By invoking these small European and Baltic nations, Peter Christian implies that their small size and lack of external alliances made them vulnerable to German and Russian invasions during and after World War Two.

A grand Pacific Entente?

A major superpower clash in the region is not inevitable. More likely will be periodic tribal clashes, continuing violent struggle for independence in West Papua, ethnic tensions in Papua New Guinea and Solomon Islands, and flare-ups in the French territories. These are localised issues, but there is the danger of escalation if manipulated by outside forces.

China and the US may not come to blows directly, but the deployment of Chinese or US forces on certain islands could create tension and the potential for localised conflict by proxies. Competition for resources on land and sea can inflame situations.

With at least nine Pacific powers involved, an optimistic view might see the potential for a regional *Entente Cordiale*⁶, a grand diplomatic bargain. Perhaps a basket of competing partners might prove more peaceful than an entrenched rivalry between two, offering a strategic equilibrium, a balance of power achieved where nations compete for influence via business and ideas rather than force and territorial claims. No doubt the new players will jockey for more position while the older ones try to maintain their spheres, but Pacific nations hope there is give and take and we can ultimately trade with any and all. Many already cultivate a Pacific version of 'strategic ambiguity' to keep our options open.

Australia in some respects amplifies the dilemma facing smaller Pacific nations navigating the road ahead. Its largest trading partner is China, yet simultaneously Australia has shored up its military alliance with the US. This is proving a tricky dance to perform, especially following frank calls from China's leadership that 'Australia cannot juggle its relationships with the US and China indefinitely'⁷. After the decision to allow US marines to be based in Darwin, the nationalist China Daily thundered 'Canberra is in danger of learning the truth of the Chinese saying that he who does not trust enough, will not be trusted'⁸.

Australia's more independent minded thinkers believe Australia doesn't need to get trapped in the duality of US - China rivalry; it can act as bridge between them without having to choose. It is a position many Pacific nations also face; business dominated by Asia but security backed by the US and Australia. Defence analyst Hugh White has concerns about Australia's overt ties to the US military umbrella, suggesting the region should be opting for a *Concert of Asian and Pacific powers* to maintain peace, but it will not come by denying China's growing role and will require compromises from both Washington and Beijing.

*The key change needed to preserve peace and stability over the next few decades is a shift from an order based on US primacy to one based on a relationship of equality between the region's great powers. Interdependence requires harmony but does not guarantee it. We can only preserve interdependence and economic growth if we are willing to make the compromises needed to preserve harmony, and the new circumstances in Asia mean we need to make new compromises*⁹.

6. The *Entente Cordiale*, signed between Britain and France in 1904, ended nearly 1,000 years of war and rivalry between the two powers. *Entente Cordiale* translates as 'cordial agreement' or 'cordial understanding'.

7. Philip Wen (16 May, 2012) 'Canberra 'must pick strategic godfather', in *Sydney Morning Herald* - <http://www.smh.com.au/world/canberra-must-pick-strategic-godfather-20120515-1yp43.html>

8. Wang Hui (11 April, 2012) 'Friendship is more than just words', in *China Daily* - http://www.chinadaily.com.cn/opinion/2012-04/11/content_15019092.htm

9. Hugh White (7 May, 2012) *China's choices and ours*, East Asia Forum - <http://www.eastasiaforum.org/2012/05/07/chinas-choices-and-ours>

Major General (retired) Jerry Singarok from Papua New Guinea has a similar take:

China's rise is due to its own model of development, which the West does not endorse, but China is likely to continue to move along its own path and become the world's largest economy with all its impacts on the world at large.

This does not necessarily mean that China and Western countries are on a collision course. On the contrary, the nature of China as a civilization, given its cultural traditions, is not likely to be a country bent on confrontation. Rather, it is more likely to seek peaceful co-existence, mutual learning and win-win outcomes with other countries and political systems and this is indeed good. However this positive picture may change if some countries are determined to pick a fight with China.

A scenario

As has already happened in PNG, the Solomons and Tonga, anti-Chinese riots break out in the Tongan capital again. In the previous riot, most of the CBD was torched and the Chinese community huddled together; vulnerable, until security was brought under control. Australian and NZ forces were quickly deployed last time and provided peacekeeping in the capital and security for the Chinese, assisting those who wanted to leave.

This time, China responds with its own rapid reaction force to protect its own. Australia and the US respond quickly too and suddenly there are questions over who controls the airfields and the need for co-ordination. China has minimal military relations with the US and has already stated that its aid program will not be co-ordinated with other regional donors. They play their own game. In this scenario, will co-operation end up being inevitable? Conditional? Hostile?

This is similar to what happened during a standoff between NATO forces and Russian and Serb forces around Pristina airport in 1999. Russia held control of the airfield and thus limited NATO operations in Kosovo for some time. Such a scenario is not out of place in the Pacific in the years ahead, as a more assertive China with deeper business and strategic interests at stake in the Pacific begins to project hard power.

How will island states and regional powers manage these competing interests? As a starting point, Pacific leaders could encourage China, the US and other powers to put in place systems to better co-ordinate aid and security in the event of a crisis.

Consensual power

Pacific leaders have a long tradition of playing off rival suitors to get the cargo; we have worked the Chinese and Taiwanese rivalry, the British and the French, the Americans versus the Chinese. There is no reason to think we will not continue to play multiple sides to achieve our aims. Who can blame us? It is only following the *Pacific Way* - to build consensus, be non-confrontational, open to all and tolerant of differences. Yet there is a danger that in saying yes to everyone, a common Pacific value, we risk adding too many layers and competing interests on the ground so that the whole thing might unravel. This is one of the complexities - and dangers - for Papua New Guinea after a decade of Sir Michael Somare.

Island states are already building their own alliances through regional and sub-regional architecture. One realm in which we are starting to see stronger Pacific collective action and coordination is in fisheries, especially amongst the Parties to the Nauru Agreement (PNA)¹⁰. This is an example of Pacific governments banding together to have a better strategic position against a slew of bigger, richer and stronger distant water fishing nations.

Another area increasingly discussed is joint maritime surveillance, whereby countries come together to coordinate the patrolling and enforcement of territorial waters. The idea of a multi-country coast guard has been suggested amongst the Micronesian states in the north Pacific. Samoa has signed a bilateral *Shiprider Agreement* with the US that allows Samoan law enforcement officials access to US Coast Guard vessels. The 6th Pacific Islands Leaders Meeting (PALM 6)¹¹ concluded recently in Okinawa, having focused on maritime security for the first time.

The Pacific may be a collection of small islands in a vast sea, but our knowledge and loyalty will be a determining factor in any meaningful engagement with our islands. Australian troops called their Papuan comrades the 'fuzzy wuzzy angels' for their loyalty and service during bitter fighting against the Japanese in World War Two. In the 21st century the phrase is outdated, but the sentiment remains the same. Our support will not be won without engaging our people and respecting our culture, however small our nations may be.

For the traditional Pacific powers, nothing can be taken for granted anymore. Decisions of allegiance by island leaders will be based on the cultivation of personal relationships (not ideology), access to new technology, migration pathways for our people and sharing culture. Ideas and models of governance are still being tested and will continue to play a powerful role in island politics; do island states want to remain parliamentary democracies or move to a more 'guided democracy' as preached by Malaysia's former Prime Minister Mahathir Mohammed, the mentor of Sir Michael Somare? Is Fiji's strongman rule an exception or a sign of things to come? The leader of Fiji's first military coup, Major General (retired) Rabuka, famously said that 'democracy is a foreign flower planted in this region'. Yet the right to vote, free speech and press, an independent judiciary and civilian rule are not just western concepts, but universal ideals which Pacific nations have embraced.

In the big clash of ideas between progress forged by strong authoritarian rule or messy democracy, most Pacific nations will err on the side of democracy. China has much to offer the Pacific and will continue to woo successfully, but for now, there is no freedom in China and every islander knows this. Moreover, the steady growth of Chinese merchants displacing small island businesses, such as trade stores and local transport, has also seen periodic backlashes, with more likely to come.

Pacific governments will continue to play off the great powers and open avenues of new opportunity. However island leaders would also do well to consider more deeply the consequences of an intensifying geopolitical struggle, and to better communicate our long-term interests both at home and abroad.

Perhaps then regional powers will take more heed of island concerns and better respect our cultures and sovereignty.

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10. *The Nauru Agreement Concerning Cooperation in the Management of Fisheries of Common Interest* (also known as *The Nauru Agreement*) is a subregional arrangement between the Federated States of Micronesia, Kiribati, the Marshall Islands, Nauru, Palau, Papua New Guinea, Solomon Islands and Tuvalu. The eight signatories collectively control around 25-30% of the world's tuna supply and approximately 60% of the western and central Pacific tuna supply. See - <http://www.pnatuna.com>.

11. For more details and the *Okinawa 'Kizuna' Declaration* see - http://www.mofa.go.jp/region/asia-paci/palm/palm6/kizuna_en.html

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The Pacific Institute of Public Policy is an independent, not-for-profit and non-partisan think tank, and exists to stimulate and support informed policy debate affecting Pacific island countries.

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