



Asia-Pacific Center
for Security Studies

Security In Oceania

In the 21st Century

**Edited by Eric Shibuya
and Jim Rolfe**

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Preface

By H.C. Stackpole III

President, Asia-Pacific Center for Security Studies

While there have been many words offered about the plight of the Island States of Oceania, there has been a limited amount of doing. Benign neglect appears to be the standard approach to Pacific Island security matters. The dominant developed nations tend to see islands, but disregard the people who inhabit them except as a faceless group of humans essentially on the dole. Doctors Eric Shibuya and Jim Rolfe have edited a four-part book that seeks to illuminate the issues faced by the Island States in the 21st Century especially in the context of security. They demonstrate the impact of the powerful in an area of the world that is at once remote but subject to global forces ranging from post-war nuclear testing to transnational issues that touch each island group directly in a negative fashion. The book clearly indicates it is now the time for proactive rather than passive security policies and an opportunity for ethnic diversity to be recognized and respected by the large powers.

The four-part book through a series of thoughtful and practical articles chronicles the victimization of the region. However, it also gives faces to those victims and gives the reader a progressively emerging shape and definition of the diverse island cultures and their aspirations for a better life. The post cold war world of globalization has increased the impact of the forces of this new age on each emerging oceanic nation. No island nation is truly isolated in this age of technology reach. That is both a boon and a bane. Unrealistic expectations are raised by electronic awareness of the standard of living of the rich and powerful nations across the globe. However, the same negative aspects of globalization have been able to reach the shores of the islands in almost every form. Environmental pollution, fishery issues, immigration problems, drug trafficking, money laundering, poor governance and that modern “sword of Damocles” climate change and rising seas all combine to provide a dark picture of the future for these tiny nations. The book succeeds in creating awareness that these issues threaten the existence of the island peoples of the Pacific and the fledgling nations they inhabit. Temporizing is certain slow death. The book closes with

an effort to penetrate the dark future by urging multinational cooperation in the security area to protect and enhance the cultures of the island states while moving forward collectively to overcome their vulnerability. Certainly the role of NGOs and the action of leading governments represented by the United States and Australia are crucial if we are to avoid regional catastrophe and provide a positive force in an age of human security where no island nation of the Pacific stands alone. I commend this effort to provide understanding and believe that Doctors Shibuya and Rolfe and their colleagues have made an important positive step in giving voice to the peoples of the island states.

Security in Oceania in the 21st Century: Introduction

By Eric Shibuya

The question of how nation-states acquire, maintain, and enhance their security is perennial in international relations. However, these broad discussions of security have generally focused on major powers and assumed (at least implicitly) that policies that improve a state's security are universal. The assumption is clearly seen in the discourse on environmental security issues; for example, where island ecosystems have been viewed as simply mini-continents, when in fact the differences between islands and continental landmasses can have drastic implications for available policy options.

Where there has been attention focused on security issues for small island states, they have tended towards what has happened or can happen to island states rather than what island states can do to enhance their own security outlook. Prominent discussions of security in general, or even of Asia-Pacific security, have not taken the concerns of island states into much account, if at all. Certainly during the Cold War, the literature on security in the Pacific focused on the landmasses that border the Pacific, but rarely on those islands that spread across that ocean. For example, *American Lake* (1986), by Hayes, Zarsky, and Bello, while discussing the use of some islands for atomic testing, gives no role to the island states as players. *Security and Arms Control in the North Pacific* (1988), edited by Mack and Keal, makes no mention of Micronesia.

When mention is made of the role some of these islands have played in world affairs, the portrayal has usually been of helpless islanders, pawns in the game of international relations. Certainly the case can be made for this image in the literature on the legacy of nuclear testing in the Pacific. Examples of this style include Kiste's *The Bikinians* (1974), Dibblin's *Day of Two Suns* (1988) Johnson's *Collision Course at Kwajalein* (1986) and Danielsson and Daniellson's *Poisoned Reign* (1986).

If there was an event during the Cold War that sparked some interest in the question of smallness and security, it was the US invasion of Grenada. The event

initiated the Commonwealth report, *Vulnerability: Small States in a Global Society* (1985), which was followed by *Politics, Security and Development in Small States*, edited by Clark and Payne. Although there were some Pacific cases in the study, these ambitious works attempted broad analyses of island states in various regions. Indeed, much of the discussion of these works draws on some of the attempts at wide-scale analysis of “smallness” that go back to Benedict’s *Problems of Smaller Territories* (1967). More pertinent to the discussion here, these works continued to a large extent the portrayal of island states as pawns rather than focusing on avenues for action. Our focus here is slightly more modest.

While the victimization narrative has been dominant, there has been a growing trend in the literature to pay more attention to considerations of the island states. *No Longer an American Lake?* (1989), for instance, argues that Cold War understandings of security have little heuristic value for understanding security in the Pacific. The contributions focus on major power interests in the region, and there is no dedicated piece on the role of island states. Robie’s *Blood on Their Banner* (1989) is another example of writings portraying the island states as actors, rather than objects, in the arena of international affairs.

Even in the nuclear discussion, some of the more recent literature has noted the actions of the island states rather than portraying them as passive victims. Certainly the politics of the Compact of Free Association in Palau would fit this category, as Roff’s *Overreaching in Paradise* (1991) and Leibowitz’s *Embattled Island* (1996) can attest. More widely, Alexander’s *Putting the Earth First* (1994) and Smith’s *The Nuclear Free and Independent Pacific Movement: After Moruroa* (1997) are excellent discussions of the role of islanders in addressing nuclear issues and how they problematize notions of security.

As environmental and other comprehensive security issues have garnered increased attention, there has been an interest in evaluating notions of vulnerability rather than discussions of security. The Commonwealth report *A Future for Small States: Overcoming Vulnerability* (1997) was a followup to the 1985 report and attempted to articulate a “vulnerability index” to rate the various small states and threats facing them.

On wider notions of security, *The Security of Oceania in the 1990s, Volume 1: Views from the Region* edited by Hegarty and Polomka (1989), *The Security of Oceania in the 1990s, Volume 2: Managing Change*, edited by Polomka (1990), *South Pacific Security: Issues and Perspectives*, edited by Henningham and Ball (1991), Ross' *Regional Security in the South Pacific: The Quarter-Century 1970-1995* (1993) and Henningham's *The Pacific Island States: Security and Sovereignty in the Post-Cold War World* (1995) provide excellent resources on the security question in Oceania. Indeed, it is the footsteps of these works that this volume follows in.

The Chapters

This book derives from a 2001 Conference held in Hawaii on the topic of Island State Security, with a major focus on Oceania. Individual papers were rewritten to fit the needs of a book and some additional material was commissioned specifically.

Section One addresses the notion of security in Oceania. What does the concept mean in the Oceanic context (is there, in fact, a distinct Oceanic context?), and what do the varying understandings of security mean for the entire debate in international relations? In Chapter One, Stephanie Lawson provides an overview of the contemporary security agenda in Oceania. The issues of understanding "security" in a multidimensional fashion are noted and applied to the strategic situation present in Oceania. Lawson's analysis focuses primarily on the structural problems of small size and geographical isolation for the island states, and considers the question of the "human security" dimension that seems increasingly under threat as militarization increases in the island states. Next, Vijay Naidu highlights the paradoxical role played by security forces in island states. While these forces are generally the maintainers of security in other states, some of the most notable security situations in the region have been caused or at least exacerbated by these forces.¹ Stewart Firth provides a chronology of events that distinguishes between the truly novel and the chronic and enduring security questions in the region. Firth goes on to describe the recent attempts at developing a regional security response in Oceania, and what roles the regional metropolises and major powers could play in this arrangement. The chapter serves as a fitting jumping off point as we move to the discussion in the

¹ This should not suggest that island states are the only states where this has been the case.

next section on the roles of other states in the Oceanic security picture. Section Two is dedicated to non-island state actors within and of the region, their policies, and subsequent impacts upon the security picture in Oceania. Richard J. Payne discusses the role of the United States in the Pacific. Certainly the immediate post World War II period saw the Pacific become the “American Lake,” while Cold war imperatives transformed it into an “ANZUS Lake,” but whether this will remain true in the post-Cold War era remains to be seen. Karin von Storkirch analyzes the role of France in the Pacific, describing how France sees its role from Paris and the perceptions within the French territories in the Pacific, French Polynesia and New Caledonia. The likelihood of independence in the territories is examined, and the possibility of an arrangement along the lines of free association is put forward for discussion. Yoshiaki Tanaka addresses Japan’s role in the Pacific, focusing on its Official Development Assistance (ODA) program. While the United States, France, and Australia give more aid in Oceania, their aid programs are predominantly aimed at their territories (France) or former colonies (Australia) or former trusts (USA). When removing those targets, Japan stands as the top region-wide donor. Also notable is that the Oceania region has never been penalized by the removal of ODA from Japan due to noncompliance of conditionality. The coups of Fiji and the Solomon Islands, for example, did not lead to the withdrawal of ODA from Japan. Reasons why this may be so are addressed in this chapter.

Turning our focus to the regional powers in Oceania, Jim Rolfe discusses Australia’s role in the region. The situation of Australia as a geographic reality in the region and its balancing act as both supporter of the United States and major aid donor and (arguably) leader of the Oceania region is examined. The latest situation of Australia’s “Pacific Solution” to the problem of illegal immigration highlights this delicate situation. Steve Hoadley addresses New Zealand’s role in the region, evaluating the stated goals of New Zealand’s defense policy and offering an assessment of the New Zealand Government’s ability to fulfill those goals. While a developed country, New Zealand has shown a great cultural affinity to the island states, arguably a greater connection than Australia. Although still influential, New Zealand is seeing a decline in its influence in the region. While this has been offset somewhat by an aggressive diplomatic program, Hoadley argues that this decline is due to structural causes and will continue unless changes in policy are made.

Section Three details some of the challenges in island state security and the various debates surrounding them. Eric Shibuya discusses the question of climate change and the construction of environmental issues as threats to national security for island states. The contest over how to define the climate change problem and how to make decisions in the face of scientific uncertainty and clear economic and political gains and losses is the primary dilemma facing the island states in this issue. Andreas Scholenhardt provides an overview of the problem of transnational crime in Oceania. Although the island states are rarely the target of organized crime, they make a convenient transit point to larger and more developed states. The lack of resources makes the island states especially vulnerable to things like drug and human smuggling, money laundering, and small arms transfers. This fact also makes stronger regional cooperation even more necessary. Yoichiro Sato analyzes the development of the fisheries regime surrounding Southern Bluefin Tuna as Australia, Japan and New Zealand work with (and at times against) the island states in managing this resource. Glenn Petersen provides an interesting comparison of US foreign policy action in the Gulf of Tonkin, Hainan Island, and Micronesia. Petersen's argument that the US actions after the EP-3 incident are not unique but part of a larger general practice on the part of the US that make routine certain actions that would otherwise be seen as provocative. By routinizing these actions, the argument goes; the US avoids domestic questions, as these actions are not "provocative." Coming on the wake of the EP-3 incident, this paper sparked one of the more passionate debates at the conference.

Section Four is finally an attempt to craft a way forward. Recognizing these immense issues, what possible avenues for action exist for the island states? Ron Crocombe develops this question, arguing that certain preconceptions such as notions of democracy and the avoidance of the ethnicity question will have to be reevaluated if a sincere attempt towards improving the security picture in the region is to be achieved. To simply dismiss ethnic identity as "false consciousness" ignores its power for mobilization and does little to overcome the problem. Finally, Jim Rolfe asks the question of whether the Oceanic region, known for its history of regional cooperation, should in fact consider going even further, especially in the realm of security cooperation. Is the so-called "security community" not only possible in Oceania, but the way for the island states to enhance their security and lessen their vulnerability?

The editors would like to thank the authors for their patience in the development of this volume. Thanks also go to Asia-Pacific Center for Security Studies for hosting the conference and providing the support necessary for this publication. We would like to stress that the opinions here are those of the individual authors, and do not reflect the official policy of the Asia-Pacific Center for Security Studies, US Pacific Command, Department of Defense, or US Government.

Security in Oceania: Perspectives on the Contemporary Agenda

By Stephanie Lawson

Introduction and Overview

Discussions about security in Oceania over the last decade or so have produced an almost unanimous consensus that the island states of the region do not face any traditional security threats in terms of external military intervention or the fallout from superpower rivalry that characterized previous periods. Rather, contemporary security concerns are commonly seen as much broader, with possible threats ranging from natural disasters, environmental degradation and climate change to the effects of economic globalization, international organized crime, demographic changes, deficiencies in state capacity, poor governance, breakdown in social cohesion, law and order problems, and domestic political crises.¹ None of these are exactly new issues, and many of them are enduring ones, including globalization. But the extent to which they are seen as constituting security concerns as such is a relatively recent development, especially when compared with the Cold War era when superpower rivalry and military threats dominated the global security agenda. In other words, ‘security’ is now conceptualized as multidimensional and security agendas have come to be viewed in much more comprehensive terms.²

While there is near unanimity about the nature of the contemporary security

¹ See, for example, William Dihm, ‘Global Change and the South Pacific Forum States’ in David Hegarty and Peter Polomka (eds), *The Security of Oceania in the 1990s, Vol. 1: Views From the Region*, Canberra, Research School of Pacific Studies, Australian National University, 1989, pp. 10-18; Stephen Henningham, *The Pacific Island States: Security and Sovereignty in the Post-Cold War World*, London, Macmillan, 1995; *Pacific Island States’ Perspectives on Security*, report from the conference on Island State Security, Honolulu, Asia-Pacific Centre for Security Studies, June 22-24, 1999; and Ron Crocombe, *Enhancing Pacific Security*, report prepared for South Pacific Forum, Suva, Forum Secretariat, 2000. Note that from October 2000, the South Pacific Forum changed its name to Pacific Islands Forum.

² For an early discussion of the concept of ‘comprehensive security’ see Andrew Mack, *Concepts of Security in the Post-Cold War World, Working Paper 1993/8*, Canberra, Department of International Relations, Australian National University, 1993. See also Stephanie Lawson (ed.), *The New Agenda for Global Security: Cooperating for Peace and Beyond*, St Leonard’s, Allen & Unwin, 1995.

agenda in Oceania, the sources of threats, and indeed broad agreement among island leaders on a range of responses required to deal with many of them,³ there is still a long way to go in producing desired outcomes in terms of creating an enhanced security environment for many of the people of Oceania. With respect to some issues, such as climate change, this is because the solutions depend very largely on the willingness of industrialized countries to act effectively – something that they have so far failed to do. In this regard the US is seen as especially culpable.

Another very common theme is the relative helplessness of island states in the face of the forces of globalization. At a meeting in January 2001, island leaders spoke critically of a new colonial order, inequalities in the distribution of wealth and power, the erosion of sovereignty due to global forces undermining economic control, and the general lack of influence of island states in international processes.⁴ This view was supported in an Economist Intelligence Unit's Country Report on the Pacific Islands which stated that the small island economies were 'highly susceptible to the international environment' and that local problems were likely to be 'exacerbated by a deteriorating world outlook, with a slowdown in economic activity in the US, Japan and Australia.'⁵ An inseparable accompaniment to the theme of helplessness is that of the relative smallness of Pacific island states. Indeed smallness, together with geographical isolation, is usually seen as a principal reason for helplessness. I consider this in more detail later.

The January 2001 meeting also raised the recurrent subject of local cultural values being at risk, as well as the equally familiar claim that cultural differences between island societies and the 'West' meant that perceptions of issues like 'development' varied according to the lens of culture and that 'Western perceptions' were not necessarily relevant to local needs. On a related issue,

³ This consensus is reflected in the statement by Noel Levi, Secretary General, South Pacific Forum Secretariat, entitled 'Regional Strategies' presented at the Australia South Pacific Conference on 'The South Pacific – Zone of Peace or Sea of Troubles, Canberra, Australian Defence Studies Centre, Australian Defence Force Academy, 17-18 August 2000.

⁴ *EIU Country Report: The Pacific Islands*, London, Economist Intelligence Unit, March 2001, p. 6. This section was reporting views expressed at the triennial meeting in January 2001 of regional political leaders organized by the Pacific Islands Development Program (PIDP) at the East-West Center, University of Hawaii.

⁵ *Ibid.*, pp. 3, 6.

Fiji's interim prime minister, Laisenia Qarase, singled out democracy as part of the problem, arguing that island states were finding it difficult to preserve their cultures in the process of moving from communal forms of rule to debate-driven democratic systems.⁶ Implicit in this statement is the notion that 'Western' democratic forms of politics and government are culturally inappropriate in Pacific island states – a notion that has been much debated in recent years.⁷

The most serious immediate issue in some countries is domestic security which has recently affected Fiji, Solomon Islands and Papua New Guinea in particular. While the explanation for much of the conflict experienced in these places is often summarized very simplistically in a single phrase – 'ethnic tensions' – the causes are much more complex. It has been pointed out that where such tensions do exist, they are usually accompanied by other elements such as disputes over land, economic disparities, and a lack of confidence in government's ability or willingness to solve the basic problems.⁸ Another factor that many analysts have pointed to is the obvious instrumental manipulation of ethnic identity by political elites in a variety of situations.⁹

There are two other aspects of domestic security that have received little attention to date. These concern state violence and social violence. By state violence I mean violence perpetrated by formal agents of the state – namely military and police personnel – against people within the state. By social violence, I mean violence taking place at the level of social and personal relations. Included in this category is rape and other forms of violence against women – a problem that needs to be included in any serious discussion of contemporary security issues in the region.

I cannot do justice to all these themes and issues in the space available here, and

⁶ *Ibid.*, p. 7.

⁷ See, for example, Stephanie Lawson, *Tradition Versus Democracy in the South Pacific: Fiji, Tonga and Western Samoa*, Cambridge, Cambridge University Press, 1996.

⁸ *Enhancing Pacific Security*, p. 1. Note also that the word 'ethnic' has become a fairly imprecise term that has been used very loosely to denote different groups. It has been used to distinguish between Guadalcanal people and Malaita people in the Solomon Islands as well as between Fiji Indians and indigenous Fijians, both of which could be described as having different 'ethnic' groups *within* them as well. For an account of recent security problems in the South Pacific that analyses some of the problematic aspects of identifying ethnic factors, see Roderic Alley, 'Investigating Ethnicity and the International Dimensions of Conflict in Fiji, the Solomon Islands and Bougainville', paper presented to the International Studies Association Annual Convention, Chicago, 20-24 February 2001.

⁹ This particular point has been made in most scholarly analyses of Fiji, for example.

so I focus on two main themes. The first concerns a structural issue, namely, the relative size of the island states as well as their geographical isolation, an issue that has underpinned some common assumptions about security in Oceania. The second concerns human security and internal conflict and the extent to which forms of both state violence and social violence are implicated in what some see as increasing militarization in island societies.

Does Size Matter?

There is a widespread belief that small states are inherently vulnerable to many of the security threats described above, and less able than larger states to deal with them effectively. This has been a theme in two major reports produced by the Commonwealth. The first, published in 1985, identified various factors contributing to a functional disadvantage suffered by small states compared to larger states. This report, however, was written in the context of the Cold War and in the wake of the invasion of Grenada in 1983 when issues of external security in the form of military threats had a much higher salience.¹⁰ Twelve years later, the second report noted the changed strategic environment as well as other aspects of the international landscape that differed from previous periods, but reiterated the belief that small states 'have a susceptibility to risks and threats set at a relatively lower threshold than for larger states'.¹¹ It has also been noted that under contemporary conditions of globalization, those who have the power to set the rules have little or no interest in small places or special cases: 'On the contrary, the whole logic of globalization is to standardize rules so that there are no special breaks for any country, whatever its circumstances'.¹² This means that enforcement of a so-called 'level-playing field', which purports to create formal equality of treatment in global trading practices, may end up promoting inequality of outcome.¹³

¹⁰ See *Vulnerability: Small States in a Global Society*, London, Commonwealth Secretariat, 1985.

¹¹ *A Future for Small States: Overcoming Vulnerability*, London, Commonwealth Secretariat, 1997. Note also that a small state is now defined as one which has a population of less than 1.5 million, although exceptions were made for Papua New Guinea, Lesotho and Jamaica because of their special circumstances (see p. 9).

¹² Stewart Firth, 'The Pacific Islands and the Globalization Agenda', *The Contemporary Pacific*, vol. 12, no. 1, 2000, p. 191.

¹³ Here the concept of strict equality of treatment implicit in the 'level playing field' analogy comes into conflict with the principal of equity. The latter refers to the quality of fairness in situations where there are inequalities between the players before they even get onto the playing field, and where these are taken into account in setting the rules of the game so that the chances of successful outcomes are more equal.

The extent to which size matters, however, varies according to the threat in question. And the second Commonwealth report points out that vulnerability obviously varies across the range of small states.¹⁴ Moreover, to state the obvious, the security threats facing people in very large countries can be just as acute. For example, Russia today faces enormous problems ranging from severe long-term pollution and environmental degradation problems to extensive criminal networks, corruption and incompetence in government and the private sector, and civil war. On the other hand, Singapore, Brunei, Malta and any number of other small states around the globe, face far fewer such problems.¹⁵ Moreover Singapore, the smallest state in the Southeast Asian region, proved to be the most resilient during the Asian financial crisis in the late 1990s. Another point to note is that small states like Singapore have often been regarded as inherently insecure or vulnerable to failure because they lack any tangible natural resources.¹⁶ On the other hand, some states are vulnerable precisely because of their abundant natural riches, giving rise to the term the 'resource curse'. This applies to large states like the Congo and states relatively large in area like Papua New Guinea. But it can also apply to much smaller states like Fiji and the Solomon Islands where valuable tropical hardwood reserves have invited considerable conflict over their control not to mention corruption and incompetence in the processes surrounding their exploitation. A further problem of smaller states is land itself, or rather lack of it, which may lead to intense competition and conflict over this scarce resource as well. But again, this can affect states with larger land masses in much the same way.

One of the factors that distinguishes most of the island states of Oceania from many other small states, however, is their relatively remote locations, spread out as they are over the world's largest geographical feature – the Pacific ocean.¹⁷ This has obviously made things like access to markets and other opportunities as well as communications much more difficult than in small states physically closer to larger states or contained within larger land masses. It has also exacerbated problems in maintaining the integrity of their huge exclusive economic

¹⁴ *A Future for Small States*, p. XI.

¹⁵ Which is not to say that these states are completely problem-free either.

¹⁶ Singapore's own Peoples' Action Party government has beaten this drum since Singapore separated from Malaysia in 1965.

¹⁷ An obvious exception, again, is Papua New Guinea.

zones (EEZs). In addition, the relative isolation of Pacific island states, combined with the lack of political clout possessed by its inhabitants, has made it seem a convenient destination for the disposal of hazardous waste from larger countries. But relative isolation, and sharing no land borders with other countries (again with the exception of PNG), may bring some security advantages as well and is one of the reasons why so few island states have standing armies.¹⁸ Moreover, when it comes to tourism, some reports now say that isolation can be an important advantage in niche markets.¹⁹

One other aspect of relative smallness that should be mentioned concerns contemporary strategic issues. As a sub-region of the Asia-Pacific, Oceania is frequently ignored in more general discussions of broader regional security in the contemporary period. In a recent report on the Asia-Pacific issued by the National Defense University, for example, no mention was made of the sub-region of Oceania.²⁰ Interestingly, the strategic invisibility or apparent irrelevance of the island states to contemporary concerns, far from being welcomed, is often now regarded as a problem rather than a bonus. This is because 'strategic neglect' brings with it problems of access to resources and markets as well as development assistance as attention has shifted elsewhere.²¹

The present situation of strategic neglect obviously stands in contrast with the Cold War period when Australia, in particular, developed a doctrine of 'strategic denial' with respect to the Soviets. Strategies underscoring this doctrine included economic assistance to the small island states, regional cooperation, strong diplomatic links and defence cooperation. Towards the end of the period, the perception of regional security problems became more attuned to internal issues, including political development and stability.²² From the mid-1980s, internal conflicts revolving around identity politics in one form or another have threatened or disrupted domestic order in New Caledonia, Vanuatu, Papua New Guinea (especially Bougainville), Fiji and the Solomon Islands and this has obviously continued to the present time. The period May/June 2000 was

¹⁸ Papua New Guinea, Fiji and Tonga have armed forces – the latter on a very small scale.

¹⁹ Giff Johnson, 'Isolation is Micronesia's Best Asset', *Pacific Magazine* (South Edn), March 2001, p. 19.

²⁰ National Defense University, Institute for National Strategic Studies, *Strategic Assessment 1999*. Chapter Eight, 'Asia-Pacific Region: Murky Future?'

²¹ *Pacific Island States' Perspectives on Security*, p. 4.

²² See Greg Fry (ed.), *Australia's Regional Security*, North Sydney, Allen & Unwin, 1991, pp. 6-7.

especially fraught when the coup against the elected government in Fiji was followed by a similar incident in the Solomon Islands.²³ In both cases, the consequences have been devastating for their respective economies as well as for the personal security of ordinary people.

I look more closely at the recent political crises in the region, especially those in Fiji and the Solomon Islands, in the next section of the paper. But to conclude the present section on size and vulnerability to security threats, I want to emphasize that there are alternative perspectives on some of the taken-for-granted assumptions that revolve around this issue. As mentioned above, relative smallness in terms of size and resource endowment as well as geographical isolation are not all negatives in terms of security. Indeed some would argue that the kind of mind-set that accepts these negatives as the full reality facing the people of Oceania is self-defeating.

In an essay published in the early 1990s, USP academic Epeli Hau'ofa took issue with the prevailing view that the small island states of Oceania were 'much too small, too poorly endowed with resources, and too isolated from the centres of growth for their inhabitants ever to be able to rise above their ... condition of dependence on the largesse of wealthy nations'; that they were 'pitiful microstates condemned forever to depend on migration, remittance, aid and bureaucracy, and not on any real economic productivity'; and that even 'the better resource-endowed Melanesian countries were mired in dependency, indebtedness and seemingly endless social fragmentation and political instability'.²⁴ He went on to illustrate that this was a distorted view of the world of Oceania which is neither tiny nor deficient in resources.²⁵ He also implied that

²³ For a comparative analysis in terms of a legitimacy crisis, see Greg Fry, 'Political Legitimacy and the Post-Colonial State in Fiji: Reflections on Some Common Threads in the Fiji and Solomon Island coups', *Pacifica Review*, vol. 12, no. 3, October 2000, pp. 295-304.

²⁴ Epeli Hau'ofa, 'Our Sea of Islands' in Eric Waddell, Vijay Naidu and Epeli Hau'ofa (eds), *A New Oceania: Rediscovering Our Sea of Islands*, Suva, University of the South Pacific, 1993, pp. 4, 5. Hau'ofa's view contrasts with 'the doomsday scenario' described (but certainly not endorsed) in Greg Fry, 'Framing the Islands: Knowledge and Power in Changing Australian Images of "the South Pacific"', *The Contemporary Pacific*, vol. 9, no. 2, Fall 1997, pp. 305-344.

²⁵ Interestingly, this is not the first time that Oceania's geography has been viewed in such positive terms. The other George Bush claimed he also saw the region 'not as a great ocean of small islands and tiny populations, but rather as an Aquatic Continent, the world's largest, covering a full third of the earth's surface.' 'Remarks by the Honorable George Bush, President of the United States', *Summit of the United States and the Pacific Islands Nations, Concluding Remarks and Background Papers*, Honolulu, East-West Center, October 1987, p. 7.

some might well have a vested interest in the ‘smallness view of Oceania’ which perpetuates neo-colonial relationships of dependency and promotes the agendas and goals of powerful interests. Below the level of rarified circles of national politicians, bureaucrats, diplomats and assorted experts and academics, he says, there exist the ordinary people of the region who are busily and independently redefining their world in accordance with their perceptions of their own interests.²⁶

To speak of ordinary people in the context of security threats and challenges in the contemporary period is to raise the more recently developed concept of ‘human security’ which, among other things, poses the critical question: security for whom? This is a question which is at the heart of some serious internal or domestic security problems in the region and which seem to have very little to do with relative size or isolation.

Human Security and Internal Conflict

The United Nations *Human Development Report 1994* defined human security in terms of ‘safety from chronic threats such as hunger, disease and repression, as well as protection from sudden and harmful disruptions in the patterns of daily life’, an understanding that has more recently been expanded to include economic, health and environmental concerns as well as the physical security of the individual person.²⁷ Thus human security – or rather insecurity – can include torture, hunger, disease, discrimination, domestic violence and rape.²⁸ Like the other items mentioned at the beginning, these are obviously not ‘new’ concerns as such. Rather, they are enduring issues which have now assumed a much more prominent place on the security agenda because of the move away from traditional conceptions of national security since the end of the Cold War. This important shift from ‘state security’ to ‘human security’ has also allowed a more sustained focus on human rights and encouraged recognition of the fact that the abuse of human rights in itself constitutes a serious security issue and is not merely epiphenomenal. Nor is it any longer acceptable (if it ever was) in

²⁶ Hau’ofa, ‘Our Sea of Islands’, p. 14.

²⁷ William T. Tow and Russell Trood, ‘Linkages Between Traditional Security and Human Security’ in William T. Tow, Ramesh Thakur and In-Taek-Hun (eds), *Asia’s Emerging Regional Order: Reconciling Traditional and Human Security*, Tokyo, United Nations University Press, 2000, p. 13.

²⁸ See Woosang Kim and In-Taek Hyun, ‘Towards a New Concept of Security: Human Security in World Politics’ in Tow et al (eds), p. 37.

situations of human rights abuses to invoke a consequentialist morality whereby the ends justify the means. In other words, the 'national interest' cannot justify cruel, degrading or repressive treatment of groups or individuals by the state or its agents. This move is clearly consistent with the recognition that human rights are not equivalent to states' rights and, indeed, that the pursuit of so-called states' rights or a narrowly defined national interest has very often been at the expense of the human rights of the very people that states are supposed to protect, namely their own citizens.

While human rights problems in Oceania may seem mild in comparison to developments in places like Indonesia in recent years, this is no reason for complacency. Situations of overt political instability are inherently problematic for the safeguarding of basic human rights, especially for less powerful groups in society. This has been well illustrated in Fiji and the Solomon Islands over the last year or so. Indeed, in both cases the breakdown of social and political order has severely compromised a broad range of vital human security needs. These include not just the immediate physical safety of individuals and groups, but their economic livelihoods and prospects for future well-being as well. There is insufficient space to look at any case in detail, so a few illustrations must suffice.

In Fiji, the fallout from the Speight coup has caused severe economic disruption and hardship in virtually all sectors of society. As with the Rabuka-led coups of 1987, the Speight coup was perpetrated on the pretext of protecting the rights of indigenous Fijians against alleged encroachments by Fiji Indians, especially in relation to land. In both cases, however, the causes have been much more complex and while the issue of land has certainly been a factor, there is no doubt that it has been used instrumentally to serve the political agendas of groups and individuals within Fiji rather than the cause of 'indigenous rights' as such. With respect to general human security, the coups have also brought suffering to the ordinary people of *all* communities and in the longer term indigenous Fijians will inevitably lose out as much as Fiji Indians.²⁹ In the shorter term, however, Fiji Indians have borne the brunt of the fallout. Looting and destruction of property in the Suva city area in the immediate aftermath of the Speight coup

²⁹ This is despite the affirmative action policies implemented after 1987 that were supposed to raise the levels of education and training of indigenous Fijians, and therefore their participation in economic activities beyond the village level.

was perpetrated almost exclusively by indigenous Fijians and aimed at Fiji Indians.³⁰ This was followed by further acts of violence and intimidation against Fiji Indians in some rural areas in the days and weeks after the coup. The spectacle of armed gunmen taking the government hostage and the ensuing breakdown of regular law and order under a constitutional government seemed to create an attitude of ‘anything goes’. This was exacerbated by the fact that Fiji’s security forces at first seemed not so much unable as unwilling to act as neutral guardians of public order. Both the police and the military initially stood back and watched rather than intervene to prevent the violence.

The behaviour of the military and police forces following the May 2000 coup certainly merits attention in any analysis of the basic human security situation in Fiji as well as holding lessons for other countries. One of the issues concerns cause and effect. As suggested above, it was in the wake of the news of Speight’s actions in taking the government hostage that most of the violence had occurred although the potential for civil unrest was clearly on the rise before the coup (and the Chaudhry government itself had failed to ensure that the general security situation was under proper control, including its own security). This was comparable to the situation in 1987 where although Rabuka had claimed that his intervention was prompted by concerns that security was breaking down, it was in fact *after* his takeover that the most serious law and order problems occurred.

Another point to note is that whereas the security forces were not directly involved in the Speight coup in May 2000, their subsequent actions (and inactions) nonetheless assisted directly in achieving the objectives of the coup. This means that the security forces have themselves provided a poor example in terms of respect for legitimate political authority. The actions of the military in Fiji in both 1987 and 2000 are particularly worrisome for the future of constitutional government. In 1987 the coups were, of course, military coups in the full sense of the word. In 2000, although the Speight coup was formally a civilian one, elements of the military were in fact involved. Moreover, it has been noted that in May 2000, what might well be described as a successful military coup did in fact follow from Speight’s ‘comic opera’ when the Commander of the Fiji Military Forces (FMF) declared martial law and sacked the president and

³⁰ Ironically, however, some businesses run by indigenous Fijians were also destroyed in the indiscriminate rampage through the Suva business area.

constitutional government. Thus it would seem ‘that the FMF is now established as a force willing to act outside the law ... when it suits itself’.³¹

The FMF commander had also purported to abrogate Fiji’s 1997 constitution under which the Chaudhry government had come to power. However, the constitution has been effectively reinstated following the decision of the Fiji Court of Appeal in March 2001 (upholding an earlier ruling by the High Court in November 2000 against which the interim government appointed by the military had appealed) that the 1997 Constitution remained valid. The Court of Appeal further ruled that parliament had not been legally dissolved in May 2000, but simply prorogued.³² There followed a series of interesting manoeuvres of doubtful legality in which parliament was dissolved while the interim government remained in office pending fresh elections in August 2001.³³ Thus although the 1997 constitution has been reactivated, constitutional government in Fiji must still be regarded as highly vulnerable to failure at regime level. This is clearly exacerbated by the fact that the military in Fiji has assumed a praetorian role in that it has become an integral part of the political process rather than as an entity that operates apart from, and subordinate to it.³⁴ This can only add to Fiji’s long-term problems of political security and therefore to broader problems of human security in the country.

Serious threats to human security in a situation of internal conflict also occurred in the Solomon Islands in 2000, just weeks after the Speight coup in Fiji, when the constitutional government was forced from office. Although the putsch was portrayed by some as a ‘copycat coup’, this tends to downplay the fact that tensions had been building for some years in and around the capital, Honiara, on the island of Guadalcanal. Another fairly simplistic image of the troubles in the Solomon Islands, as in Fiji, lies in their depiction as ‘ethnic’ – the label of choice by media image-makers as it seems to account for the basic aggravation between

³¹ Michael O’Connor, ‘Melanesia’s Disciplined Services’, paper presented at the Australia South Pacific Conference on ‘The South Pacific – Zone of Peace or Sea of Troubles, Canberra, Australian Defence Studies Centre, Australian Defence Force Academy, 17-18 August 2000, p. 2.

³² Republic of Fiji Islands and Attorney General v Prasad, Summary of Court of Appeal Judgement of March 1, 2001. Document at http://www.fijilive.net/extras/Co...peal_Ruling/march2001/01/lz13.htm

³³ See Robert Keith-Reid, ‘What Next?’, *Pacific Magazine*, South edn, (April 2001), 19-21.

³⁴ See Stephanie Lawson, ‘The Military Versus Democracy in Fiji: Problems for Contemporary Political Development’ in R.J. May and Viberto Selochan (eds), *The Military and Democracy in Asia and the Pacific*, Bathurst and London, Crawford House and C.J. Hurst, 1998

those from Guadalcanal and those from Malaita without having going into more complex explanations.³⁵ This has been reinforced by the formation of rival militia groups based in the opposing communities; the Isatabu Freedom Movement (IFM) and the Malaita Eagle Force (MEF). As in Fiji, the key issues have been land and the control of resources as well as the inability of government to mediate competing claims and deal effectively with grievances held by both Malaitans and Guadalcanal people, as well as people from other groups.

It is important to note that in the Solomon Islands, as in Fiji, general civil unrest and law and order problems became much more of a problem *after* the coup attempt than before. The following excerpt from an account of the situation in the aftermath of this event illustrates the extent to which internal security almost completely broke down:

Following the attempted coup of 5 June 2000, civil unrest became a problem that threatened the cords that bind the country. It affected the ability of the government and the private sector to provide the basic services that sustain community living ... People from Rennell and Bellona, Western and Temotu Provinces had to flee the capital, their jobs and their properties as they became targets ... Civilians who spoke out against criminal activities committed within the city were beaten up ... Business houses and individuals were continually harassed. Many businesses closed ... Within Guadalcanal Province many local people as well as people from other provinces were left with no homes and in many cases no clothes as their houses and properties were burned, looted and destroyed. Foreign governments evacuated their citizens because their security could no longer be guaranteed The civil unrest thus affected the business sector, the organisations of civil society and the public sector, throughout the entire country.³⁶

In addition to the enormous financial difficulties now facing the Solomon Islands as well as the logistical problems in delivering basic services, there is a significant problem in terms of the number of illicit weapons now loose in the

³⁵ For a critical analysis of the use of the label 'ethnic' in relation to the Solomon Islands crisis see Tarcisius Tara Kabutaulaka, 'Beyond Ethnicity: The Political Economy of the Guadalcanal Crisis in Solomon Islands', April 2001, unpublished paper.

³⁶ Ruth Liloquila, "'Ethnic Tension': Causes and Impact', Discussion Paper 00/7, State, Society and Governance in Melanesia Project, Canberra, Research School of Pacific and Asian Studies, 2000, p. 7.

community. According to Kabutaulaka, disgruntled young Guadalcanal men began collecting firearms from around 1996.³⁷ Then, in response to the increasingly militant activities of the Guadalcanal group, Malaitans formed a rival group (the MEF) which received backing not only by Malaitan businesspeople and politicians, but by Malaita elements within the police force as well. The MEF subsequently acquired weapons from police sources. In the June 2000 coup attempt, additional firearms came into the hands of militants as the police arsenal was raided and its contents distributed to MEF supporters.³⁸ Many of these weapons have not been recovered. The formation of militias armed with such weapons clearly points to the militarization of at least one important part of society.

The demilitarization of Solomon Islands society is obviously an important task, and it is not likely to be achieved through the use of further force. But the misguided notion that more force *is* the solution to the problems outlined above has been reflected in a proposal by the present Solomon Islands government that a standing military force (separate from the police) be established. It has been pointed out that any military force established in the present climate of unrest would pose a further threat to both state and society in the islands, especially since it would almost certainly be prone to the same divisions within it that presently afflict Solomon Islands society.³⁹ It is also surprising that the lessons from Bougainville and the failure of the military solution there have not been learned by its closest neighbour. Eugene Ogan has noted that the Bougainville conflict escalated after the Papua New Guinea Defence Force, together with the police mobile squad, were sent in. The brutality of the PNG security forces subsequently gave the secessionist movement a great deal more momentum than it might otherwise had gained, with increased support among local people.⁴⁰ The main message from the experiences of Fiji, the Solomon Islands and Papua New

³⁷ These included licensed rifles as well as old World War II weapons and ammunition and even home-made guns. See Kabutaulaka, 'Beyond Ethnicity', pp. 2-3.

³⁸ See Sandra Tarte and Tarcisius Tara Kabutaulaka, 'Rethinking Security in the South Pacific: Fiji and Solomon Islands', in Bruce Vaughn (ed), *The Unraveling of Island Asia*, Praeger, CT, 2002 pp. 66-82.

³⁹ Ibid.

⁴⁰ Eugene Ogan, *The Bougainville Conflict: Perspectives from Nasioi*, Discussion Paper 99/3, State, Society and Governance in Melanesia Project, Canberra, Research School of Pacific and Asian Studies, Australian National University, p. 8. Even so, the Bougainville Revolutionary Army (BRA) was equally brutal and severe human rights abuses were reported on both sides. See Amnesty International, *Papua New Guinea: Under the Barrel of a Gun: Bougainville 1991 to 1993*, p. 24.

Guinea, then, is that 'security' forces can be as much a part of the problem as they are of any solution. Of course, this is not to deny the important role of trained, professional personnel in maintaining peace and security. But what kind of personnel and how they are trained and deployed is clearly crucial.

The final issue to be addressed in terms of human security and internal conflict concerns social violence and human security, especially with respect to violence against women. Again, this is hardly a new issue as such, but it is one that has only recently been even close to acceptance on a 'mainstream' security agenda. Some of the force that the issue has gained as a security concern over the last decade is undoubtedly linked to the widespread publicity surrounding violence against women, especially sexual assault, as part of a conscious strategy by some actors in the Balkans war. Publicity about Korean 'comfort women' in World War II has added to the momentum as well.

In Oceania, violence against women has been a security problem in a number of countries and although it is not restricted to those in which state violence and other forms of social violence are widespread, women in these countries have experienced particular problems. Recent reports and publications on violence, especially (although not exclusively) in Melanesia, have also focused on the gendered character of much contemporary violence, pointing out that violence is increasingly associated with young men, and that women have been targeted in particular ways.⁴¹ Militarized societies are obviously dangerous for all inhabitants, but women face additional risks because of the gendered nature of some acts of violence, including rape (although women are not an exclusive target of this either). A report put together by the UN special rapporteur on violence against women in East Timor in 1997 illustrates the gender specific nature of some acts of violence:

Rape is the most common form of gender-specific torture perpetrated against East Timorese women ... This type of violation is not simply a matter of sexual imbalance between the influx of male soldiers and local women. It is also a weapon of the occupying troops, used to subdue the local population ... The

⁴¹ Sinclair Dinnen, 'Violence and Governance in Melanesia – An Introduction' in Sinclair Dinnen and Alison Ley (eds), *Reflections on Violence in Melanesia*, Annandale and Canberra, Hawkins Press and Asia-Pacific Press, 2000, p. 4. See also the special issue of the journal *Pacific Studies* entitled *Domestic Violence in Oceania*, vol. 13, no. 3, July 1990 (guest editor Dorothy Ayers Counts).

wives, sisters, and other female relatives of freedom fighters have been subjected to rape by Indonesian soldiers as a form of revenge against freedom fighters. ... Many women and girls became 'local wives' of Indonesian soldiers, as it offered some 'protection' for certain East Timorese women from continuous rape by other soldiers. Women forced into marriages ... are usually abandoned when soldiers leave the province at the end of their duties.⁴²

In Bougainville, much of the violence against women has been perpetrated not just by strangers or soldiers on the 'other side' but by their own men as well. In an article on the situation there in 1997, frequent sexual assaults on women were reported first, by soldiers seeking to punish the men to whom the women 'belong'; and secondly, by their own men. With respect to the latter, it is said that:

Because of the Bougainville crisis, men, soldiers, rebels, resistance fighters and the male youth at large were traumatised, resulting in a lot of violence, rape, incest, torture, wife beatings, bashings and assaults which were uncommon but are now happening daily.⁴³

The report went on to say that the justice system has failed to protect women, often because the prosecutors refuse to interfere in what they see as a 'domestic matter'.⁴⁴

There are many other examples and cases from other places where severe abuses are going on, and these are occurring especially in contexts where the militarization of society has taken place. On the positive side, the increasing activism of women's groups in the region and the fact that they are starting to receive at least some donor support, means that it is an issue that is likely to gain increasing attention.⁴⁵ This activism raises another issue that needs to be addressed in this context, and that is the role of NGOs in peace processes and demilitarization. Here, various groups, including women's groups, have an

⁴² Quoted in *Pacific Women Against Violence*, vol. 5, issue 2/3, March 2000, pp. 1-2.

⁴³ Report from the LNWDNA Newsletter quoted in *Pacific Women Against Violence*, vol. 3, issue 3, September 1997, pp. 2-3.

⁴⁴ *Ibid.*, p.

⁴⁵ For example, the Fiji Women's Crisis Centre which publishes *Pacific Women Against Violence* (in association with the Pacific Women's Network Against Violence Against Women), receives assistance from AusAID.

important part to play in reconciliation and the restoration of peaceful social relations following situations of overt violence. This does not mean that NGOs will, with sufficient support, be able to provide some magical solution to problems of violence when governments cannot. But if contemporary security agendas are to be sufficiently comprehensive to cope with the full spectrum of human security problems and their solutions, then attention must be paid to these as well.

Conclusion

It is interesting to note that the characterization of violence against women as constituting a ‘domestic matter’, noted above, is comparable to the old claim that human rights abuses perpetrated by the state (or its agents) against its own citizens was also a ‘domestic’ matter and was therefore legitimately shielded from the spotlight of scrutiny by the veil of sovereignty.⁴⁶ Neither appeal to the ‘domestic’ nature of the abuse is any longer sustainable, although many have tried hard to defend it. Boutros Boutros-Ghali in his *Agenda for Peace* published shortly after the fall of the Soviet Union noted that although respect for the sovereign state would remain a central organizing principle of global relations, there was an increasing need for the sovereignty principle to be reassessed and balanced by equally important ethical concerns for what takes place within the so-called domestic arena of state political activity.⁴⁷

As I have remarked before in reference to the implications for new thinking about security in the post-Cold War period, this means that peace and security must be understood not merely as the absence of war in a military sense, but as a

⁴⁶ I should also point out that there is a negative flip side to a rigid stance in favour of impermeable sovereign boundaries that many states have taken in the past, including some states in Oceania whose leaders have sometimes been averse to criticism about their political practices. This flip-side is isolationism. And with it goes the notion that some ‘national interest’, however defined, trumps any concerns about people in other states, including the negative impact of spillover effects of their own policies and practices. I will not enumerate the many ways in which these spillover effects have been manifest in recent years, but just point to one example that I alluded to at the beginning, and that is the effect that climate change will have on the smaller states of Oceania in the years to come. If the US and other large industrial countries acknowledge that they have duties and responsibilities beyond their borders, then this means that sovereignty and the ability to do exactly as one pleases within the borders of one’s own country cannot hold as a rigid moral principle.

⁴⁷ Boutros Boutros-Ghali, *An Agenda for Peace: Preventive Diplomacy, Peace-Making and Peace-Keeping*, Report of the Secretary-General pursuant to the statement adopted by the Summit Meeting of the Security Council on 31 January 1992, New York, United Nations, 1992, p. 9.

situation in which there is peace in a much broader sense.⁴⁸ Peace with justice must inform any understanding of security, and this can only be achieved by conceptualizing security in terms of its human dimensions.

Once again, this is not a new issue, but an enduring one for many who, at least during the period of the Cold War, were marginalized or castigated as ‘idealists’. These include scholars who sought to oppose the allegedly ‘realist’ (and amoral) conception of international relations and security studies. It also included a range of social scientists – and others – who saw their function not as morally inert, ‘objective’ and dispassionate observers (and measurers) of political and social affairs, but as people who had a responsibility to engage in the critical study of all kinds of interactions between and among humans in society as well as on a global scale. These scholars and others have always conceived of security as multidimensional and resisted attempts by others to restrict the application of the term to a narrow military one or to limit its scope to one’s own national interest. Moreover, in the light of the issues that have been raised as serious contemporary security concerns in Oceania, as well as in other places, the task of social scientists is not to avoid making normative judgements, nor to avoid giving offence to all sensitivities, but to focus critical attention on the full range of human security problems facing people in the region today.

⁴⁸ See Stephanie Lawson (ed.), *The New Agenda for Global Security: Cooperating for Peace and Beyond*, St Leonard’s, Allen & Unwin, 1995, Introduction, p. 5.

The Oxymoron of Security Forces in Island States

By Vijay Naidu

Introduction

In the report of the conference on Island State Security 22-24 June, 1999, several island security - related problems were identified: these included possible cross border conflict between the Solomon Islands and Papua New Guinea and Indonesia and Papua New Guinea; intra-state ethnic conflicts; poverty and social inequality giving rise to internal conflicts; land and resource use - related conflicts; money laundering; and the use of the islands as staging posts for international drug trade. Economic hardship for the region was envisaged with the loss of preferential access to markets. Mention was also made to environmental vulnerability particularly from rising sea levels.¹ These problems continue to dog the region. The last two years have seen two coups, a significant increase in drug trafficking through Fiji, HIV/AIDS has become a real danger and people smuggling has emerged in Oceania.

These security issues are products of both internal and external factors with each issue reflecting particular combination of endogenous and exogenous forces. Thus ethnic conflicts may be largely the consequences of internal factors but competition over resources and in the labour market is likely to be triggered by the state of the economy which is dependent on external factors as well. Externally imposed structural adjustment programs (SAPs) have also contributed to internal unrest. Drug and people smuggling have largely external origins but the lack of capacity in island immigration, custom and police authorities make the islands vulnerable targets. However, inter-state relations and external military threats certainly do not constitute a security issue for much of the region. This paper addresses what are considered to be four priority security concerns in the island states. These are: first, the crisis of leadership in island states; second, the widening of the gap between rich and poor; third, the threats posed to island state security by their security forces; and fourth, the use of the islands by drug

¹ Asia-Pacific Center for Security Studies, *Pacific Island Perspectives on Security*, Report on the Conference on Island State Security, 22-24 June, 1999, Honolulu. URL: http://www.apcss.org/Publications/Report_Island_State_Security.html.

cartels as transit points in the smuggling of drugs.

Crisis of leadership and political instability

Throughout the region islanders have increasingly become skeptical and even cynical about their leaders. There has been a “loss of innocence” from unre-served loyalty and respect for national political leaders in the immediate aftermath of independence to the current lack of trust of virtually all politicians. This phenomenon may be global but the machinery to check excesses of the politically powerful do not work very well in the islands. There appears to be an acceptance of the widespread practice of using political power for personal gains and establishing systems of patronage. Clean government is a rarity in Oceania. On the other hand, abuse of public office and misuse of public funds appear to be increasing.

In Fiji F\$220 million was fraudulently taken by prominent citizens, a list of the country’s ‘who’s who’ in the early to mid-1990s but to date not a single person has been successfully prosecuted. A number of the protagonists connected with the Sandline affair in Papua New Guinea have emerged largely unscathed from the multimillion dollar scandal. Vanuatu has had several instances of fraud and abuse of office by political leaders and public servants. Some of the characters involved in one scandal also appear in other publicly exposed scandals. After the US\$ 100,000, letter of credit scandal and the illegal use of pension funds, the latest financial fraud was the appointment of Vanuatu’s roving ambassador, a con-artist who ingratiated himself with the exchange of an over valued gem stone to the recently displaced Prime Minister. The Samoan Auditor General was sacked for exposing numerous instances of the misuse of public funds by government officials.² Scams involving foreign fraudsters and Cook Island senior-most officials have been revealed in the past.

Attempts to seek accountability from public officials have been met by several tactics to obfuscate, evade and counter such efforts. The media in general and the print media in particular are closely monitored. They are either strictly

² N. Nath and G. Chand, “Smallness, Backwardness and Public Accountability: Public Sector Audit in Fiji and Western Samoa,” Paper presented at Islands V Conference: Small Islands in the Third Millennium—Problems and Prospects of Island Living, Small Islands Studies Association, Mauritius, 1998.

controlled through ownership and/or regulations and licensing. Periodically governments warn the media “to be responsible”, threaten the imposition of draconian legislation and either take away their license or threaten to do so. In Tonga journalists were imprisoned for their exposés of suspected corruption by public officials.

In Vanuatu, political leaders have mobilized their ethnic communities to oppose efforts to redress their wrong-doing. Elsewhere in Fiji, Tonga and Samoa, such efforts have been labeled as disrespectful of persons of high rank. Thus queries about the multi-million dollar passport scams in Samoa and Tonga have been effectively evaded. Those who have sought to question the unconstitutional decisions of Presidents of Fiji, all high ranking chiefs, through the legal system have been criticized, intimidated and assaulted for their disrespect for and insult to persons of rank. Rhetoric about the need for the respect of ‘culture’, ‘Kastom’, and tradition is common amongst those in authority. In Fiji, ethnicity is a most useful instrument to “muddy the water” when it comes to accountability. The National Bank of Fiji (NBF) fiasco, which cost the country around F\$500 million, when initially made public, was denied. As the pressure built up the then Prime Minister and the Minister of Finance, both ethnic Fijian men decried those who sought accountability claiming that questions were being raised only because indigenous persons had been involved. The Minister of Finance declared that the NBF debacle was “water under the bridge” and instead of preoccupying the country in unravelling the mess, Fiji should move on.

Amongst the main supporters of George Speight’s attempted coup and the doctrine of ethnic Fijian supremacy are some of the very people who borrowed millions of dollars from NBF, with no real intention of paying the loan back. A number of the ministers in the “caretaker” government in Fiji instituted in July 2000 were NBF bad debtors.

The nexus between business and politics is a complex and problematic matter. Powerful business interests can determine the electoral future of political parties and government. In the Fijian case, there are strong allegations and circumstantial evidence which indicate individual and corporate interests behind extra legal activities that have led to the overthrow of democratically elected government. In short, many island leaders have failed to be accountable and have not edu-

cated their people about human rights, equality of citizenship, access to state resources and other opportunities. Instead, they have tended to fill their own pockets, abused public office and mobilized supporters to oppose accountability on the basis of their hereditary rank and along ethnic lines.

In Pacific island countries (PICs), leadership has become a security issue in the context of poor management and even abuse of state-owned resources as well as other national resources in the midst of stagnant economies, increasing populations, changing aspirations and increasing inequality. When the impacts of globalization, the loss of preferential market and the demands for deregulation and reform by multilateral institutions are added to these, leadership at the national level is an immense problem for the islands. Riots, rebellions, separatist and civil wars and extra-legal overthrow of democratically elected governments are symptomatic of the ascendance of venal leaders in island states.

The widening gap between rich and poor

From relative economic equality there has been in the last three decades a significant increase in wealth and income differentials among islanders.³ Five broad socio-economic categories of islanders can be discerned. At the apex of island societies is a political and bureaucratic elite accompanied by senior members of the church clergy. At the second rung, and in Fiji, perhaps a parallel rung, is a class of managers of multi-national enterprises and big private entrepreneurs, including the larger commercial farmers. A middle class of professionals, middle level public servants and small business people follow in the third rung. Below them are a category of larger small holder farmers, small business people and a category of skilled wage earners. In the fourth tier are to be found smaller semi-substance small-holder and fishers and low paid workers. At the bottom of the heap is an assortment of casual labourers, seasonal farm-hands, unemployed persons especially the youth, the street people and other destitutes. The unemployed include a large category of out of school youth who are often alienated from rural village life styles but do not have the skills and means to gain a livelihood in town and cities. For the region as a whole it is

³ Epeli Hau'ofa, "The New South Pacific: Integration and Independence," in A. Hooper et al., eds., *Class and Culture in the South Pacific*, Auckland and Suva: Institute of Pacific Studies, University of the South Pacific and Centre for Pacific Studies, University of Auckland, 1987, and "Our Sea of Islands," in E. Waddell, V. Naidu, and E. Hau'ofa, eds., *A New Oceania*, Suva: School of Social and Economic Development, University of the South Pacific, 1993.

estimated that in 1991 there were only 370,000 wage-earning job opportunities in an economically active population of 1.8 million.⁴ Structurally this situation has not changed in the last ten years. Unemployed young males are likely to engage in anti-social activities. These young adults have been most active in the instability in the Solomon Islands and Fiji. They become the foot-soldiers in situations of political turmoil.

Income distribution in PICs is very skewed in favour of a small minority. National Development programmes instead of fostering the explicit objective of growth with distribution have resulted in increased inequality amongst people, between regions of the country and between people of different ethnicity. In many PICs the top 20 percent of income earners received 50 percent of the income. In Honiara, Solomon Islands, 70 percent of the total income of all households accrued to less than 2 percent of the population.⁵ In Fiji official estimates of poverty indicate 25 percent of households falling below the poverty line and a further 15 percent being vulnerable to poverty. These figures have been based on a household income and expenditure survey conducted in 1991.⁶ They do not take into account regressive indirect taxation, inflation and the effects of the current political instability. However, they do provide an idea of the structural inequality prevalent in the country. To underline this point, the average weekly income in the highest 10 percent group in 1991 was F\$760 per week, more than twenty times that of the lowest 10 percent group earning an average of F\$34 a week.⁷ Figure 1, on the next page, shows the skewed income distribution in Fiji.

While poverty knows no ethnic barriers and it affects both the two large ethnic categories equally, it is more intense among Indo-Fijians. However, ethnic Fijians have lagged behind in education, in the professions and in business. This ethnic disparity fuels resentment and stereotyping which ethno-nationalists incite to their advantage.⁸

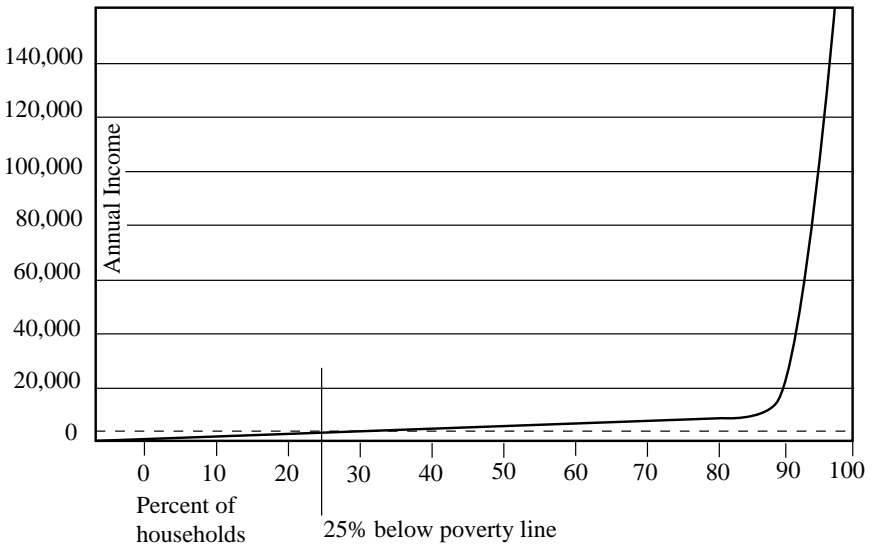
⁵ Ibid, p. 20.

⁶ Government of Fiji and UNDP, *Fiji Poverty Report*, 1997, Suva.

⁷ Ibid, p. 17.

⁸ S. Tarte and T.T. Kabutaulaka, "Rethinking Security in the South Pacific: Fiji and the Solomon Islands," in B.Vaughn, ed., *The Unraveling of Island Asia*, 2002, Praeger, CT.

Figure 1: Income Distribution in Fiji



Source: Government of Fiji and UNDP 1997, p.39.

In the 2000 coup and political instability ethnic Fijians from depressed rural areas who have been the ‘victims of development’ were aroused by ethno-nationalists to gather in large numbers in the Parliamentary Complex. They also invaded many Indo-Fijian farms and tourist resorts and held the owners and their families hostage. In Suva and some rural localities, looting, thefts and damage to property were accompanied by violence against Indo-Fijians. Sexual assaults and gang rapes were also reported.⁹ This spree of lawlessness was orchestrated and condoned by the rebel camp which was led by prominent chiefs. For much of the time the security forces stood by, failing to secure the safety of people and their property.

For the last three decades, emigration has been amongst other things a safety valve for island countries. The economic downturn in receiving countries and changes in their immigration policies in favour of skilled and business migrants have meant the restricting and even shutting down of migration opportunities. This has serious implications for social stability in some of the migration dependant states.

⁹ Personal communication, Coordinator of Fiji Women’s Crisis Centre

Security forces

In the context of growing socio-economic inequality in island states and a scarcity of opportunities - “the poverty of opportunities” - there are degrees of popular discontent that island police and military forces are supposed to keep in check. However, the term security forces in island states is an oxymoron as these police and military forces have become major sources of destabilization and insecurity.

Fiji, Tonga, Papua New Guinea, Vanuatu and the Solomon Islands are independent Pacific states that have armed security forces. The first three countries have standing armies as against armed police. With the exception of the 200 strong Tongan army, all the other security forces have in the last two decades become the major sources of insecurity and instability in the islands. Poor leadership, the lack of professionalism, unsatisfactory terms and conditions of employment in the lowest ranks coupled with kinship and ethnic affinities with factions of the bureaucratic and political elite have led to this disastrous state of affairs.

The Republic of Fiji Military Force (previously Royal Fiji Military Force) has had a good reputation from its engagement during the Pacific phase of the Second World War, in the Malaysian insurgency and for peace keeping in Lebanon and Sinai. It has been involved in UN peacekeeping since 1978. Because of this role, it is very well trained and equipped with sophisticated small arms.

Beyond this international work which earns the country foreign exchange revenues, there is no external threat to justify a standing army of more than 4000. Attached to the military is a small naval division responsible for surveillance and rescue duties in Fiji’s EEZ. The Fiji army has had a history of internal interventions.¹⁰ Since the military coup d’état of 1987, the military has made explicit its desire to be the guarantor of internal security.

However, having stability and security in Fiji is dependent on maintaining the established ethnic Fijian status quo. As in Samoa and Tonga, in Fiji “through

¹⁰ O. Wilkes and S. Ratuva, “Militarism in the Pacific and the Case of Fiji,” in D. Robie, eds., *Tu Galala: Social Change in the Pacific*, Annandale: Pluto Press, 1992, and S. Durutalo, *Internal Colonialism and Unequal Regional Development: The Case of Western Viti Levu*, MA Thesis, School of Social and Economic Development, University of the South Pacific, Suva, 1985.

their occupation of strategic political positions they (chiefs) are often at the centre of national power.”¹¹ In Fiji, the first and second Governor Generals and the first and second Presidents from 1970 to 2000 have been high chiefs. The first Prime Minister who ruled till 1987 as a democratically elected leader was a paramount chief. This class of chiefs constitute the apex “of a system of interlocking family connections in the top echelons of the government [and] public service, and the Army guarantees Ratu dominance and protects it against challenges from dissident Fijians or from the Indian community.”¹²

In 1977 when the chief - led Alliance Party was defeated by the Indo-Fijian farmer backed National Federation Party (NFP), the perceived threats of revolts by the military and public service, resulted in an undemocratic intervention of the then Governor General, a paramount chief to return the defeated Prime Minister to power. This action was legally justified as the 1970 constitution provided reserved powers to the Governor General to appoint the person who in his “deliberate judgement” had the support of a majority of members of Parliament. What transpired, however provided an initial snapshot of possible difficulties in changing governments through electoral democracy.

The military clearly showed its hand in May 1987 in the first military coup d'état in the Pacific in the twentieth century. This extra-legal military intervention followed in the wake of the defeat of the chief -led Alliance Party by a coalition of Fiji Labour Party (FLP) and the National Federation Party. An intriguing element of the coup was that a little known Lieutenant Colonel who was not a chief displaced his commanding officer, a chief but ultimately reinforced the established order. The second military coup of 1987 was designed to bring back the military strong man in the political centre stage together with his racist ethno-nationalist supporters. However the ethno-nationalists were unable to form an effective government. Yet again the defeated Alliance leader and many of his former cabinet ministers were returned to power.¹³

¹¹ R.G. Ward and A. Proctor, eds., *South Pacific Agriculture, Choices and Constraints*, Manila and Canberra: Asian Development Bank and Australian National University, 1980. See also S. Lawson, *Tradition versus Democracy in the South Pacific*, Melbourne: Cambridge University Press, 1996.

¹² J. B. Dalton, “Fiji—Independence and After,” *Australian Neighbours*, Fourth Series (September-December), 1970, p. 8.

¹³ R.T. Robertson and A. Tamasiasau 1988, *Fiji's Shattered Coups*, Pluto Press, Reichardt, Australia.

After being in the political and economic doldrums for a decade, a new constitution was unanimously adopted in 1997 by the Fijian Parliament and endorsed by the exclusively ethnic Fijian Great Council of Chiefs. This constitution in the tradition of the 1970 and 1990 constitutions entrenches ethnic Fijian institutions and safeguards their ownership and control over customary owned land and terrestrial and marine resources. It also allows for targeted and time bound affirmative action policies for ethnic Fijian and other disadvantaged groups. The 'compact' of the constitution directs all communities in Fiji to work together and that in case of disagreement over policy matters, ethnic Fijian interest would take precedence over those of other communities. While the 1997 Constitution continued to be racial, it was a significantly improved document compared to the decreed 1990 Constitution.¹⁴

Under its electoral provisions the Fiji Labour Party (FLP) and its coalition partners the Fijian Association Party (FAP) and the Party of National Unity (PANU) won a landslide victory. The *Veitokoni Lewenivanua* Party (VLV) joined the Peoples Coalition. Sitiveni Rabuka who had been Prime Minister since 1992 was defeated and blamed the loss of his party and its coalition partners on the rejection by all races of the 1997 Constitution. The fact of the matter was that there were several reasons for the defeat of the *Soqosoqo Vakavulewa ni Taukei* (SVT), National Federation Party (NFP) and United General Party (UGP) coalition. These included mismanagement of public funds, scandals over the indiscretions of public officers, the collapse of NBF, increase in poverty and unemployment, devaluation of the currency and the introduction of the value added tax (VAT).

The FLP leader, an Indo-Fijian, Mahendra Pal Chaudry was sworn as Prime Minister and he appointed, a multi-ethnic cabinet in which ethnic-Fijians were a majority. The People's Coalition Government ruled for a year making a number of policy decisions designed to improve the quality of life of the broad masses of the country. These included the exemption of the value added tax (VAT), an indirect sales tax on a number of food items and increase in poverty reduction funds. Chaudry also made strategic errors of judgement which alienated powerful elements in Fiji society. He sought to push the Land Use Commission

¹⁴ B. V. Lal, *Another Way: The Politics of Constitutional Reform in Post-Coup Fiji*, Canberra: Asia Pacific Press, 1998, W. Sutherland, *Beyond the Politics of Race, Political and Social Change*, Monograph 15, Canberra: Research School of Pacific Studies, Australian National University, 1992.

when advised not to, he removed influential individuals from government boards and statutory bodies and he attempted to compel businessmen who had evaded taxes for years to pay up. His erstwhile political partner and a person renowned in the country for his demagoguery, Apisai Tora reactivated the *Taukei* movement and organized demonstrations in Lautoka and Suva. The government was confident that the movement did not enjoy the support of most ethnic Fijians and any civil unrest by the minority could be contained by the security forces.

What the government failed to realize was that it could not rely on the loyalty of the leadership of the police and the military. After the 1987 coups, Rabuka had established the Counter Revolutionary Warfare Unit (CRW) also known as the Meridian Force, largely manned by soldiers from his home province as an army within the army, loyal to himself. While Tora and his *Taukei* supporters were permitted to march (by Chaudry himself against the advice of the Minister of Home Affairs, as he believed in freedom of expression) through the capital city on the fateful day of 19 May, 2000, another group of tightly knit conspirators (George Speight and 7 CRW soldiers) took advantage of the distraction provided to invade the Parliament and hold captive 40 members of the government side.

During the first week of this armed take over of the National Parliament, CRW personnel had direct communication with the military headquarters, freely transported arms and ammunition and went back to the Queen Elizabeth Barracks (QEB) to change and have meals. It was evident that a significant number of military officers supported this expression of political extremism and terrorism. The security forces failed to prevent the assembly of coup supporters in the Parliamentary complex who formed a human shield against any attempt by soldiers loyal to government to rescue the hostages. During the 56 days of being held hostage at gunpoint, the Prime Minister and his son were assaulted. All the hostages were subjected to inhuman treatment.¹⁵

The Great Council of Chiefs prevaricated and allowed the hostage takers to not only consolidate themselves but also infiltrate the Council itself. With the military intervention of 29 May 2000 the coup was completed. The President was forced to step down and the military commander declared that the 1997

¹⁵ *Fiji Times*, 2000, 27 May, p. 2. *The Review*, 2000, August, p. 43.

Constitution had been abrogated. Unlike the 1987 coup when the military saw itself ruling Fiji for 15 years, this time around the military quickly relinquished power to a civilian government that it appointed. The civilian government's composition was almost exclusively ethnic Fijian, the token Indo-Fijian person, a junior Minister had no mandate from Indo-Fijians. This was the second time in less than a decade and a half that non-ethnic Fijian citizens have been disenfranchised and left unrepresented in government. In fact because the government was primarily made up of unelected persons disenfranchisement extended to all Fiji citizens. However it appeared that most ethnic Fijians were satisfied with the presence of unelected personnel of their ethnicity in government.

Ratu Mara, the President and high chief from eastern Viti Levu was deposed and replaced by Ratu Josefa Iloilo, the Tui Vuda, a high chief from western Viti Levu. It is evident from what has transpired thus far that a faction of the Kubuna Confederacy led by the chiefly Cakobau family backed the coup makers. Elements of the military which owed allegiance to the Cakobaus as well as other players including the Commissioner of Police, Rabuka and surprisingly, the President's own son-in-law, the former commander of the military apparently pressured the current military commander to remove Ratu Mara.

A subsequent mutiny in November 2000 in the QEB saw CRW elements attempting to take over the military HQ. Some reports alleged that the military commander was to be killed and replaced by Rabuka. In the shoot out at the barracks followed by incidents of torture and extra legal killings in the wake of the mutiny, the military death toll increased to 9. Altogether 16 deaths including that of two policemen have been attributed to the hostage taking and lawlessness that accompanied the May 2000 coup.

At the time of the Asia-Pacific Center for Security Studies' Island Security Conference in June, 2001 an illegal military backed caretaker regime wielded political power in Fiji. There was a legal challenge to the President's decision to appoint this government against the ruling of the Court of Appeal. At the same time, the regime decided to hold a general election in August, 2001. The military indicated that a victory for FLP will pose serious security risks, meaning that such an outcome is not acceptable to it.

Facade of democracy exposed

It is evident that a well-entrenched ethnic Fijian bureaucratic and political elite is secured by a predominantly ethnic Fijian military led by officers connected to the chiefly hierarchy so that democratic electoral outcomes which favour the opposition are in jeopardy. Both the ethnic Fijian bureaucratic and political class as well as the military use ethnic appeals to ensure that dissident ethnic Fijians do not obtain the support of commoner Fijians. In this they are assisted by the Methodist Church hierarchy. Businessmen dependent on privileged treatment by government such as sub-contracts, supply of equipment and materials, special concessions and consultancies tend to support the established governing status-quo.

The ethnic Fijian establishment's attitude to other ethnic categories in Fiji, and particularly to Indo-Fijians is that in all things 'political' the indigenous views and interests must prevail. Thus for them differential citizenship rights are quite acceptable. This is articulated succinctly by Ravuvu in his interpretation of '*vulagi*' or visitor.¹⁶ As guests the latter are supposed to work hard and provision the hosts without question and not to get too uppity because the hosts will show them the door! This is a gross distortion of how a guest is to be treated in the norms of Fiji's indigenous cultures unless there is some subterfuge associated with the *vulagi*.

After five generations in Fiji, Indo-Fijians who constitute 44 per cent of the population do not enjoy fundamental citizenship rights.¹⁷ They own less than 5 per cent of the land. Since 1997 sugar cane farmers, 80 percent of whom are Indo-Fijians have been systematically evicted from their farms, without compensation and without any serious efforts by the state to find alternative livelihoods for them. The Fijian State also systematically discriminates against them in scholarships for education, in employment and promotion as well as in the allocation of commercial loans. There is great disparity in the public service between the proportion of ethnic Fijian employees and Indo-Fijian employees. This disparity increases at the senior levels with more than 80 per cent of permanent secretaries and directors being ethnic Fijian and Rotuman.

The Fiji military is almost exclusively ethnic Fijian (see figure 2). It has a

¹⁶ A. Ravuvu, *A Façade of Democracy*, Suva: Reader Publishing House, 1991.

¹⁷ V. Naidu, "Democracy and Governance in the South Pacific," in E. Vasta, ed., *Citizenship, Community and Democracy*, London: Macmillan, 2000.

recruitment policy and procedures that have effectively kept non-ethnic Fijians out. Indo-Fijians who have had difficulty in entering the Fiji army have become soldiers in the rim-country armies. The Fiji military obviously has extremely capable and professional soldiers and officers including the former head of the Third Infantry Battalion, Lieutenant Colonel Seruvakula who refused to support the George Speight coup and who prevented the take over of QEB in November, 2000.¹⁸ However the same military also harbours racists, mutineers and insurgents as well as persons who have engaged in extra-legal torture and killing.

The security forces in Fiji have been ethnicised and politicized especially since 1987. As in the case of Haiti, no elected government is safe from possible coups. This is particularly so when the elected government is left of centre and is supported by Indo-Fijian voters. Fiji's experience has shown that it is harmful for stability and security to have a standing army comprising of one ethnicity in a multiethnic society. It is unwise and morally reprehensible that such a military receives support from the United Nations and countries that advocate and practice democracy and multiculturalism.

In this regard there is very little prospect for long term democracy in Fiji and by extension the respect for human rights. The social fabric of Fiji society has been unraveled yet again and each time this happens, it is more difficult to return to what the military has referred to as normalcy. The flight of capital and skilled human capital is of such a magnitude that long term progress has been severely undermined.¹⁹ This will invariably

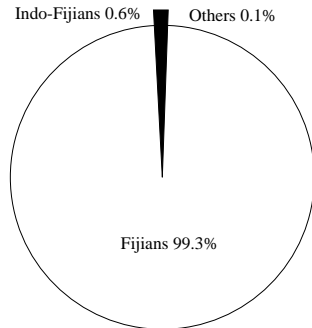


Figure 2: Ethnic Composition, Fiji Armed Forces

Source: Fiji Bureau of Statistics, 1996

¹⁸ Lieutenant Seruvakula in interviews with the Fiji media before he emigrated to New Zealand indicated that he left the Fiji army because many officers had compromised themselves during and after the hostage-taking and coup in May, 2000.

¹⁹ N.K. Chetty and S. Prasad, *Fiji's Emigration: An Examination of Contemporary Trends and Issues*, Demographic Report No. 4, Suva: UNFPA and University of the South Pacific, 1993, M. Mohanty, "Contemporary Emigration from Fiji: some trends and issues in the post-Independence era," in V. Naidu, E. Vasta, and C. Hawksley, eds., *Current Trends in South Pacific Migration*, Wollongong: Asia Pacific Migration Research Network, University of Wollongong, Australia, 2001.

blight the lives of young people, which in turn will contribute to social unrest. Ultimately and inevitably oppression, social exclusion and violence will beget violence.

Insecurity created by security forces in Melanesia

The Fiji experience amply manifests the danger presented by a standing peace time army to democratic institutions including an independent judiciary. Recent events in Papua New Guinea and the Solomon Islands reflect the unruly nature of security forces in these countries. A rebellion in the military camp in Port Moresby in 2000 only subsided when the government agreed to relinquish its plan to reform the security forces. The Papua New Guinea military has been prone to indiscipline in its unsuccessful efforts to suppress the armed Bougainville independence movement. Numerous cases of brutal killings of unarmed civilians and the rape of women have sullied the image of the PNG military over the last decade. In the Solomon Islands, elements of the police force actually raided a divisional armoury to equip the Malaita Eagle Force. The MEF is made up of some of these police personnel. The MEF has since retaliated against the Isatabu Freedom Fighters and have overthrown the elected government of Bartholomew Ulafa'alo. The current regime in this country is backed by MEF. Extra legal activities and killings continue in the Solomon Islands in spite of the Townsville Peace Treaty.

Besides corruption in high places in Vanuatu, the Mobile Security and Police Force has made its uncalled for intrusion into stability and security. In October 1996, the President of the Republic and the Acting Prime Minister were abducted and held hostage at gunpoint by the Vanuatu Mobile Force (VMF). Anxious shuttle diplomacy helped to end this crisis. The reason behind this extreme action was frustration over the failure of the government to meet demands for a pay increase!²⁰

Drug transiting in the Islands

In the midst of the coups and the confusion caused by lawlessness in Suva, under cover agents from the United States and Australia were following the tracks of an international drug syndicate which was moving 300 kilograms of

²⁰ Decloitre, P. 1996 (November), Vanuatu's Coup.....the Melanesian Way", *Pacific Islands Monthly*, Fiji Times Limited, Suva, pp. 45-46.

heroin valued at F\$20 million via Fiji to Australia.²¹ This shipment was bound for the crowds gathered in Australia for the Olympic Games but was delayed. This was not the first discovery of outward-bound drugs in Fiji. It can be assumed that it will not be the last. For instance a family was reported to have found, F\$400,000 worth of cocaine in two locally manufactured biscuit tins in late April this year.²² Some of the cocaine is being sold within Fiji. There is already a thriving trade in marijuana.

Although police commissioners of Pacific Forum states meet periodically to address issues of common concern, it is evident that without exception island police forces are poorly trained, inadequately equipped and not well funded. It is not surprising therefore that they are not effectual (investigating, apprehending and successfully prosecuting) in police work and prone to corruption. These police forces do not have the capacity to tackle international criminal syndicates involved in drug and people smuggling as well as other illicit activities.

The Way Forward

The four security issues addressed in this paper, leadership, growing socio-economic disparities, security forces and drug smuggling are complex and difficult challenges. They can be tackled. Good leadership can be nurtured by inculcating values of responsibility and service to the wider community and through institutionalized checks and balances. In this regard watch-dog organizations and the media have proved to be powerful mechanisms to expose and control abuse of public office. The strengthening of civil society organizations which can provide the scope of leadership training as well as seek accountability of state institutions is another prong in fostering leadership. Limits to political party funding and scrutiny over the links between politicians and business interests need to be instituted.

With respect to the obvious difference in earning power and life chances among people in island states, it must be remembered they were previously non-market societies. Reciprocity and redistributive principles governed relationships within and between kinship groups. Those who were in positions to access wealth were especially obligated to share. A great many of the reciprocal and

²¹ *Fiji Times*, 30 October, 2001.

²² *Fiji Times*, 27 April, 2001.

redistributive mechanisms continue to survive in island societies. At the national level very deliberate and targeted policies of affirmative action to build capacity among disadvantaged groups will assist in reducing the sense of alienation felt by such groups.

Structures and mechanisms including the ownership and control of resources which contribute to grossly differential incomes need to be reformed. Decentralized regional development that will help disperse economic activities and spread infrastructure must be central to government policy. In this regard the unfettered push to market-centred development, a central pillar of the globalization agenda together with the 'rolling back of the state' can undermine redistributive mechanisms.

With respect to security forces, the question that needs to be raised is whether island states that do not have external enemies should have armies. Maintaining a military force is a major expenditure on island state revenues. Funds used to bolster peace-time standing armies can be utilized more productively. This is especially so when such funds are scarce and when the military personnel become security threats!

The last security issue identified in this paper which involves island states as a part of networks to transship drugs can only be countered effectively through concentrated regional and international strategies. In this regard the training of island officials in customs, immigration and police departments is crucial as is the availability of suitable equipment. As official corruption is closely linked to drug rings, professionalism amongst these officials is also pivotal

Conclusion

The Pacific region, particularly island and archipelagic states have entered a phase of uncertainty and instability. Pre-existing natural and economic vulnerability has been exacerbated by global warming and globalization. Island states are also confronted with instability and insecurity emerging from poor leadership, the widening gap between the haves and have nots, their own security forces and international drug cartels.

Conceptualizing Security in Oceania: New and Enduring Issues

By Stewart Firth

Oceania is not Africa and its security problems are not of African dimensions. Nevertheless, the security situation in a number of South Pacific states has deteriorated, and the long-term outlook for the region is not as favorable as it seemed at the beginning of 2000. In this paper I chart the emergence of political instability in Oceania over the last fifteen years, focusing on the region south of the equator, and I examine changing conceptualizations of regional security.

Mid-1980s to mid-1990s: from Security as ‘Protection from External Threats’ to Security as ‘Protection from Instability in Regional States’

Security in Oceania has changed since the mid-1980s and so has the way people think about it. At that time policymakers in Australia, New Zealand and the USA, together with those in the Islands, usually defined security as ‘protection from external threats’ of a conventional kind. The South Pacific, after all, was politically stable. A minor rebellion on the island of Santo marred the emergence of Vanuatu as an independent state in 1980, but the transition to independence was peaceful in Western Samoa, Nauru, Tonga, Fiji, Papua New Guinea, Solomon Islands, Tuvalu and Kiribati and a constitutional future seemed likely across the region. Fiji had survived three democratic elections under its constitution of 1970; Papua New Guinea appeared to be dealing successfully with secessionism on Bougainville despite a stillborn declaration of independence by the island in 1975; and Solomon Islands were in the hopeful early years of statehood. The Polynesian states were untroubled by anything more than strikes by civil servants.

The consensus in the State Department and the foreign affairs departments of Australia and New Zealand was that, if there was a single major threat to the security of the South Pacific, it was the Soviet Union. The Cold War was far from over, the American government had withdrawn its security guarantee from New Zealand after the USS *Buchanan* was refused entry to New Zealand ports, and the ANZUS alliance had effectively lost its third partner. Washington

worried about the 1985 fisheries deal between Kiribati and the Soviet Union, suspecting ulterior motives on the part of the Soviets, and would not sign the protocols to the Forum's South Pacific Nuclear Free Zone Treaty. The concerns of the day were well expressed in the title of a 1985 security report by Robert Kiste and Richard Herr, 'The Potential for Soviet Penetration of the South Pacific islands: an assessment'.¹

Governments in Australia and New Zealand thought France also posed a regional security threat: France conducted annual nuclear tests that aroused anti-nuclear feeling, and therefore undermined ANZUS. And France used its military forces to repress the nascent independence movement in New Caledonia, running the risk of attracting unwanted anti-French third parties into the region such as Libya. Events on the border of Irian Jaya (now Papua) and Papua New Guinea pointed to a third source of regional insecurity, Indonesia. Early in 1984 about 10,000 people streamed across the border into Papua New Guinea, fleeing a crackdown by the Indonesian military forces against separatist activists and villagers, and creating a refugee problem that lasted for years afterwards. The region's only land border was shown to be a source of vulnerability for Papua New Guinea. The conventional wisdom among policymakers of the time, then, was that the potential threats to the security of the South Pacific were external in the form of the Soviet Union, France and Indonesia. Internally, there was no problem: the South Pacific was at peace with itself.

That era passed suddenly towards the end of the 1980s. Sitiveni Rabuka's two military coups of 1987 set a precedent that continues to haunt Fiji. The Fiji economy initially recovered, then stagnated as scores of thousands of the country's best educated and most highly skilled people left for Sydney, Vancouver, Auckland and other cities where they could breathe the free air of tolerance. Fiji exemplified the potential for political instability created by tensions between the two major ethnic groups, Fijian and Indian, and by a contest between two forms of political authority, one democratic, and the other anchored in Fijian tradition. No democratically elected government of Fiji can be sure that its authority will not be challenged by those who claim to speak in the name of ethnic Fijian rights and who can powerfully mobilize Fijian opinion

¹ Robert C. Kiste and Richard Herr 'The Potential for Soviet Penetration of the South Pacific islands: an assessment', *Bulletin of Concerned Asian Scholars* 18, 2, 1986: 42-59.

against the government. As the coups of 1987 and 2000 showed, the military forces, largely ethnic Fijian in composition, then become the final arbiters of politics. The outcome of the 2001 Fiji elections, in which the military-installed caretaker government of Laisenia Qarase was confirmed in office by popular vote, should not change this assessment of the fundamental forces in Fiji politics.

In Papua New Guinea a former surveyor called Francis Ona, who once worked for Bougainville Copper Limited, led a campaign of sabotage against the company, forced the mine to close and, with others, formed the Bougainville Revolutionary Army, which fought a war against the Papua New Guinea Defence Force from 1989 to 1997. The war between Bougainville and Papua New Guinea degenerated into a civil war among Bougainvilleans, and, directly and indirectly, possibly cost 15,000 lives. The conflict undermined Papua New Guinea's economy, and is one of the major causes of its present economic crisis and political instability. Soldiers in Port Moresby, for example, staged a successful mutiny in March this year when the government proposed to halve the PNG Defence Force. Bougainville pointed to another source of insecurity, secessionist sentiment in a part of the Pacific that has the greatest linguistic diversity in the world. Politicians in this part of Melanesia can easily mobilize local and regional loyalties against national governments. As corruption weakened national authority, Papua New Guinea and Solomon Islands became increasingly vulnerable to fragmentation.

Then as now, events in Melanesia prompted reconsideration. In effect, policymakers in Australia, New Zealand and the USA hastened to redefine security in Oceania as 'protection from internal instability in Pacific island states'. The US Congress sent a team to the countries south of the equator and issued a report called *Problems in Paradise*, but the Americans' Pacific Island interests centered on the freely associated states in Micronesia and the flag territories, and the report was quickly forgotten.² The Australians, for whom the region matters much more, reviewed their policy on regional security and announced that Australia would intervene militarily in the South Pacific 'in unusual and extreme circumstances'.³ One Australian observer presciently

² *Problems in Paradise: United States Interests in the South Pacific. Report of a Congressional Delegation to the South Pacific* August 5-16, 1989, Washington, D.C., 1989.

³ Department of Foreign Affairs and Trade, *Australia's Regional Security*, Canberra, 1989, paragraph 90.

raised the issue of future regional peacekeeping.⁴ Yet Australian interest soon waned too and the new Australian interventionism was never put to the test. Fiji returned to electing its governments under a new, ethnically skewed constitution. The civil unrest that briefly flared in Vanuatu in 1988 disappeared and, apart from Bougainville, the region appeared stable again.

Mid-1990s to 2001: The Travails of Peacemaking and Constitutionalism

Australia and New Zealand did not take significant action on Bougainville until 1997, when the PNG government unexpectedly imported a group of private mercenaries, hardened by battle experience in Africa and promising to blast the Bougainvillean rebels into submission with rocket launchers and ex-Soviet helicopters. The contract with the mercenaries provided for them to ‘conduct offensive operations in Bougainville in conjunction with PNG defence forces to render the BRA militarily ineffective and repossess the Panguna mine’.⁵ The coming of the mercenaries provoked a mutiny in the Papua New Guinea Defence Force led by its commander, Brigadier-General Jerry Singirok, who refused to cooperate with the government’s plan and who was therefore dismissed. When riots and looting erupted in Port Moresby and other towns, Australia prepared to evacuate its citizens if necessary, and forced the PNG prime minister to step down and suspend the contract with the mercenaries. The Sandline affair, as it came to be known, dramatized the potential danger posed by Bougainville to Papua New Guinea and the Melanesian region as a whole. Here was a group of foreign mercenaries, with no experience of the Pacific, paid by a regional government to end a complicated conflict by sheer force of arms. Far from solving the problem, the mercenaries were likely to have stoked the fires of violence on Bougainville for decades to come and embroiled the neighboring state of Solomon Islands in a continuing war. In the wake of Sandline, Australia and New Zealand initiated serious diplomacy on the Bougainville issue.

New Zealand showed what a creative and culturally sensitive diplomatic initiative could do. Unlike Australia, New Zealand was not tainted by years of opposition to Bougainvillean independence, support for PNG territorial integrity

⁴ Greg Fry *Peacekeeping in the South Pacific: Some Questions for Prior Consideration*, Australian National University Department of International Relations Working Paper 1990/7, Canberra, 1990.

⁵ *Sydney Morning Herald* 22 Mar. 1997.

and direct military assistance to the PNG Defence Force. New Zealand is a more Pacific country than Australia, and the diplomats who led the Bougainville initiative showed a keen appreciation of Pacific Island cultural sensibilities. They knew, for example, that nothing would be achieved by negotiating with a small number of key Bougainvillean leaders. Melanesian politics does not work like that. So they brought about 280 Bougainvilleans to the Burnham military base near Christchurch in July 1997 and adopted a loose approach to what the agenda of negotiations would be and how long they would continue. They allowed Melanesian cultural norms to determine the form and length of the negotiating process, and the result was the first binding agreement achieved in the history of the Bougainville conflict. In effect, the New Zealanders provided a culturally appropriate occasion for the Bougainvilleans to reach agreement themselves. A second set of talks later in the year produced the Burnham Truce, and provided for it to be overseen by a regional Truce Monitoring Group led by New Zealand.⁶ The extent to which the Burnham Truce was a purely New Zealand achievement can be exaggerated. Australia also played a central role. But there is no doubt that the involvement of the New Zealanders, and the location of talks in New Zealand, contributed importantly to the outcome. The truce in turn was followed by the Lincoln Agreement of January 1998, and a final peace treaty between PNG and the Bougainvillean armed factions, and between those factions themselves, was signed in April 1998. A regional Peace Monitoring Group with military and aid personnel from Australia, New Zealand, Fiji and Vanuatu continues to oversee the peace process. Peace in Bougainville brought security of the most tangible kind. Thousands of Bougainvilleans who had been living for years in PNG government camps, the so-called care centers, or who had been stranded away from home, were now able to return to their villages and resume a normal life. Some had not been home for ten years. As Australian aid flowed into Bougainville, schools and hospitals were rebuilt, roads cleared, airstrips upgraded, government services restored, and the conditions of a continuing peace gradually created. The Bougainvilleans have recently reached agreement with the Papua New Guinea government over the key issue of weapons disposal, and a permanent settlement of the Bougainville issue is probably close.⁷

⁶ Roderic Alley *The Domestic Politics of International Relations: Cases from Australia, New Zealand and Oceania*, Ashgate, Aldershot and Burlington, Vermont, 2000: 85-115.

⁷ Department of Foreign Affairs and Trade 'Bougainville Peace Process – Agreement on Plans for Weapons Disposal', Canberra, 11 May 2001.

Fiji meanwhile embarked on a major constitutional review. The 1990 constitution attempted to entrench the political supremacy of the ethnic Fijians by specifying, among other things, that a clear majority of parliamentary representatives should be Fijian. This was to assume that Fijians were united and had the same interests and opinions, yet if anything the 1990 constitution exacerbated their divisions. In any case, the constitution disqualified Fiji from complete acceptance internationally and in this way discouraged foreign investment, as well as sending a clear signal to the best-qualified Indo-Fijians that they should leave and take their skills elsewhere. For these and other reasons Rabuka decided to abide by the constitution's requirement that it be reviewed within seven years, and appointed a three-man Constitution Review Committee, chaired by a former Governor-General of New Zealand, Sir Paul Reeves. The other two members were Tomasi Vakatora representing the Fijian community and Professor Brij Lal representing the Indo-Fijian community. The commissioners' public hearings in Fiji and study trips to Malaysia, Mauritius and South Africa produced an 800-page report that became the basis for the new constitution.⁸

Fiji's return to a more democratic constitution produced diplomatic and economic benefits. Fiji rejoined the Commonwealth, won approval from the European Union and briefly enjoyed renewed international respectability. In the early months of 2000 Fiji was preparing to host a major international meeting on the post-Lomé trading arrangements between the European Union and the ACP (Africa, Caribbean, Pacific) countries and would have given the name of its capital, Suva, to what is now the Cotonou Convention. Elections under the 1997 constitution were held without incident in May 1999 and President Ratu Sir Kamisese Mara appointed a new government under the country's first Indo-Fijian prime minister Mahendra Chaudry.

Optimism proved short-lived. Coups overthrew constitutionally installed governments in Fiji and Solomon Islands in mid-2000. George Speight's bungled coup plunged Fiji into months of uncertainty, fear and lawlessness, leaving the Republic of Fiji Military Forces to take control and install an interim government. Speight's seizure of Parliament resulted only in part from ethnic

⁸ See Brij V. Lal *Another Way: the politics of constitutional reform in post-coup Fiji*, Asia Pacific Press, Canberra, 1998.

tensions between Fijians and Indians. Far more important in causing the coup were divisions among Fijians themselves, and the renowned professionalism and discipline of the Fiji Military Forces was put to the test as never before. For as long as Speight held the hostages in Parliament, the army commanders seemed concerned that the average soldier might follow his chief rather than his officer.⁹ In the end professionalism won, but only after a mutiny and gun battle at the Queen Elizabeth Barracks on 2 November, when eight soldiers were killed and a 36-hour curfew declared for Suva.

The coup in Solomon Islands started when armed militias placed the prime minister Bartholomew Ulufa'alu under house arrest and seized control of the capital Honiara. Fierce fighting then followed between rival armed groups from the two main islands in the east of the country, Malaita and Guadalcanal, with the Malaita Eagles Force controlling Honiara and the Isatabu Freedom Movement dominating the countryside. By the end of June an intimidated Parliament had installed Manasseh Sogavare as prime minister, a man who was acceptable to the Malaita Eagles Force, the militia in control of Honiara. Many people in Guadalcanal harbour long-standing grievances about the influx of migrants from Malaita, loss of land to Malaitans, and the predominance of Malaitans in the best jobs, and the conflict between the two groups of Solomon Islanders had already descended into violence in 1999, when thousands of Malaitans were driven out of Honiara and the government declared a state of emergency.

The Commonwealth first, and now Australia, have made efforts to broker peace in the Solomons, which has by far the worst security situation in the region. As Commonwealth Special Envoy, Sitiveni Rabuka negotiated two agreements in 1999 – the Honiara Accord and the Panatina Agreement – but neither lasted. Following the collapse of order in the Solomons last year, Australia followed New Zealand's lead by bringing a large contingent of Solomon Islanders, about 130 in all, to Queensland. The result was the Townsville Peace Agreement of October, 2000, the key provision of which was a surrender of arms, but progress was slow. A trickle of small arms continued to be surrendered but the 500 or so modern weapons remained in the hands of the militias, political murders

⁹ Brij V. Lal 'Chiefs and thieves and other people besides': the making of George Speight's coup', and Jon Fraenkel 'The clash of dynasties and rise of demagogues: Fiji's *tauri vakaukawau* of May 2000', *Journal of Pacific History*, 35:3, Dec. 2000, 281-308.

continued and, as elections approached at the end of 2001, the Solomon Islands police chief Morton Sireheti conceded that his force was no longer able to operate in a disciplined manner and appealed to Australia for help with internal security.¹⁰ The peace process continued to be overseen by an International Peace Monitoring Team. The outlook for Solomon Islands, a country that is virtually bankrupt, is at best uncertain.

Conceptualizing Security in 2001: the New Multidimensionality

The enduring issues in the regional security of Oceania take the form of defending territory, defending resources and defending the environment.

Defense of territory applies mostly to Papua New Guinea. The country's Western and Sandaun provinces still experience incursions by Indonesian soldiers pursuing rebels of the OPM, the West Papua independence movement, as well as refugee flows across the border from Indonesia. 193 West Papuan refugees entered Papua New Guinea in December 2000, and, given the political instability in Indonesia, more might be expected.¹¹ On Papua New Guinea's eastern border, where minor fighting has occurred because of the presence of armed BRA elements in the Western Solomons, there has been a recent peace settlement.¹²

Defense of resources concerns mainly fisheries in Island countries' exclusive economic zones. One vital element in this kind of defense is the Pacific Patrol Boat program, which provides Island states with the vessels they need to police their extensive EEZs and which Australia recently renewed for 25 years.¹³ Another can be seen in the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific – signed last September – which establishes a legally binding conservation and management regime for highly migratory species. This Convention, though in many ways favorable to the distant water fishing nations such as Japan, the Republic of

¹⁰ 'Seven Months and Still No Surrender in Solomon Islands', *Pacific Islands Report*, 9 May 2001; 'Solomon Islands Sends SOS to Australia', *Pacific Islands Report*, 30 October 2001.

¹¹ 'PNG Border Problems, Military Bases Required', *Pacific Islands Report*, 14 May 2001.

¹² 'Solomon Islands, Bougainville Agree on Peace', *Pacific Islands Report*, 9 May 2001.

¹³ Forum Communiqué, 31st Pacific Islands Forum, Tarawa, Kiribati, October 2000.

Korea, Taiwan and China, at least brings the conservation of Pacific fisheries more completely under international law.¹⁴

Defense of the environment applies particularly to the smallest atoll countries. Pacific Islands security, defined in environmental terms, encompasses protection from global threats to the environment and the rehabilitation of land removed by mining or polluted by nuclear testing. Atoll microstates such as Tuvalu and Kiribati regard international action to slow global warming as the most important defense of their security. For Nauru the future security of the population depends upon successful long term rehabilitation of the worked-out phosphate lands, and for Bikini and Enewetak the further clean-up of land polluted by radioactivity.

The new – or at least newer – issues in regional security can be described as first-order and second-order.

The second-order issues are those posed by cross-border activity such as drug trafficking, money laundering, fraud and other crimes that could destabilize very small states. These threats include the movement of small arms and light weapons between and within states – the instruments that are being stolen from armories and used in Pacific Islands armed conflicts – and were the subject of a Forum workshop in Brisbane in May 2001.¹⁵ Significantly, the Pacific Islands Forum has not, until very recently, wanted to address first-order issues such as secessionism and the forcible overthrow of constitutional governments. Nor has the Forum been at the forefront of regional security initiatives on matters of this kind. The Forum did not mention Bougainville in its annual communiqué until 1997, and then only to note progress made in achieving peace. By that time a secessionist war had been raging there for eight years, more than ten thousand people were dead, and Papua New Guinea – the largest and most populous member country of the Forum – had been seriously destabilized. Regional organizations such as ASEAN or the Pacific Islands Forum consist of the representatives of sovereign governments, and ‘sovereignty’ is an idea that implies

¹⁴ Sandra Tarte ‘Regional Fisheries in the Pacific – Cooperating to Protect Marine Resources’, *Indigenous Affairs*, 1, 2000: 48-53.

¹⁵ ‘Workshop Addresses Small Arms Problem in the South Pacific’, Department of Foreign Affairs and Trade, Canberra, 11 May 2001.

non-interference. Governments are loath to embarrass or interfere with each other, and the result is that – as long as it remains largely within national borders – regional organizations often act as if insecurity does not exist. In the end it was New Zealand, acting as New Zealand not as a member country of the Forum, that brokered a truce in Bougainville, and Australia that brokered a similar truce in Solomon Islands.

The Forum's definition of regional security, at least until the events of 2000, stuck to the safe ground of second-order issues such as protection from natural disasters, environmental damage and what were vaguely called 'unlawful challenges to national integrity and independence'. Apart from natural disasters, the Forum's 1997 Aitutaki Declaration on Regional Security Cooperation makes specific reference only to 'transnational crime including drug trafficking', a category that also includes money laundering. In recent years the US Congress and the OECD have accused a number of Pacific Islands countries of enabling criminal organizations such as American drug cartels and the Russian mafia to hide their money in offshore banks. The Cook Islands, Marshall Islands, Nauru and Niue remain on the OECD's blacklist of fifteen countries suspected of money laundering.¹⁶ In the wake of the terrorist attacks on New York and Washington on 11 September 2001, the money-laundering activities of these microstates took on a more sinister aspect, as did the practice of a number of Islands countries of selling passports on demand.¹⁷

The Fiji and Solomon Islands coups last year compelled the Forum to confront openly what was happening in the region. Forum foreign ministers met in Samoa August 2000 to discuss assistance for conciliation and recovery, and the Forum meeting in Kiribati in October 2000 adopted the Biketawa Declaration, which provides for it to respond to national security crises. According to the Declaration, the Forum in future might respond to a crisis like that in Solomon Islands by acting as a mediator, convening an eminent persons group, sending a fact finding mission, and even calling a special meeting of Forum leaders. Pacific Islands leaders have long recognized the need for a multidimensional definition of Pacific Islands security. The Biketawa Declaration reasserts

¹⁶ 'No Change to Pacific Money-Laundering Blacklist', *Pacific Islands Report*, 2 February 2001.

¹⁷ Gerard A. Finin 'Viewpoint: Renew Ties with Pacific Isles to Bolster Weak Link', *Pacific Islands Report*, 31 October 2001.

multidimensionality in a new way by focusing on good governance as the foundation of regional security. Biketawa amounts to a restatement of the contemporary conventional wisdom, accepted by policymakers and the NGO community throughout the South Pacific: *Pacific Islands security is multi-dimensional, the threats to it are multi-dimensional, the most important threats are internal, they are serious, and the answers lie largely in the kind of good governance that can return the region to the promising prospects it enjoyed in the 1970s.*

In other words, building a secure Oceania means concentrating not on building military forces but on building more accountable, more transparent, more effective and therefore more legitimate and secure forms of government. The Biketawa Declaration spells out guiding principles to which the Forum has committed itself, such as commitment to good governance, belief in equal rights for all citizens, and recognizing ‘the urgency of equitable economic, social and cultural development to satisfy the basic needs and aspirations of the peoples of the Forum’.¹⁸ The new agenda for regional security, then, is developmental rather than military. The solution for Solomon Islands, for example, is not to create a Solomon Islands Defence Force, as the Sogavare government proposes. Given the recent history of the country, such a force would be a factional militia in all but name and a source of continuing insecurity for the Solomon Islands people. What Solomon Islands desperately instead needs is effective, clean, developmental government.

There is room for skepticism about the Biketawa Declaration, or at least about how much Forum island states are committed to it. The Secretary-General of the Forum Noel Levi probably voiced a general feeling among Forum island state leaders when he said last year that the Forum would lose its way if it started to interfere in the domestic affairs of member countries like Fiji and the Solomon Islands. He spoke out against ‘tougher action being taken to try to force a return of democratic government and normalcy’, and said the Forum’s strength lay in its consensus decision-making and non-interference in members’ internal affairs.¹⁹

¹⁸ Biketawa Declaration, 28 October 2000, *Pacific Islands Report*, 30 October 2000.

¹⁹ ‘South Pacific Forum Chief Calls for Non-Interference in Fiji’, *Pacific Islands Report*, 15 September 2000.

Yet the stark reality is that the internal security of Forum states, especially of key states such as Fiji or Papua New Guinea, is inevitably a regional matter that cannot be ignored. A continuing security role for Australia and New Zealand in the South Pacific seems certain.

The Changing US Security Policy in the Pacific

By Richard J. Payne

US security interests in the Pacific Islands have generally emanated from the islands' geographic location as stepping-stones to areas of the Asia-Pacific region where the United States had or has vital interests. The islands' small size, remoteness from major industrial countries, and relative economic insignificance have contributed to their marginalization in American foreign policy. Furthermore, the Pacific Islands' tranquility, especially where compared to other parts of the world has reinforced American neglect and lack of interest. American foreign policy has generally been reactive, focusing on major crises that have immediate and obvious consequences for US security interests. Moreover, the remoteness of the Pacific islands guaranteed, in the minds of most strategic thinkers, that problems in the Pacific would naturally be contained to individual islands. Clearly, World War II and, to a much lesser degree, the military and ideological struggle with the Soviet Union during the Cold War were obvious exceptions to this perception of the Pacific islands. Realizing that their small size, lack of resources, and their remoteness prevented them from having a significant influence on US security policies, the island states have adopted cooperative strategies to achieve their objectives.¹

But these efforts have not altered the islands' perception of neglect by the United States. Indeed, American actions since the end of the Cold War have only helped to reinforce it. The disintegration of the Soviet Union meant that Oceania was even less important strategically, and the new emphasis on trade as an integral component of American foreign and security policies meant that economically insignificant countries would be further marginalized in an increasingly competitive global economy. By closing the State Department Office of Pacific Island Affairs, reducing diplomatic activities in the South Pacific, limiting its participation in regional organizations such as the Pacific Community, and reducing development assistance, the United States has

¹ Eric Shibuya, "Roaring Mice Against the Tide: The South Pacific Islands and Agenda-building on Global Warming," *Pacific Affairs* 69, No.4 (Winter 1996/1997): 541.

underscored its view that the strategic importance of the Pacific Islands has diminished. This paper examines US security policy in the Pacific in the context of broader perceptions of national security. It argues that, despite their geographical remoteness, small size, and economic problems, Pacific Islands still matter as far as US security interests are concerned.

Rethinking National Security

National security is profoundly influenced by technological, economic, and cultural changes. Traditional approaches to national security have been shaped primarily by realist theory, which emphasizes military and economic competition among countries and downplays cooperation and the interdependence of states. Realism, as practiced in the United States, induces foreign policymakers to adopt short-term views of US security interests and to focus on specific, immediate problems instead of taking a long-term view and a more comprehensive approach to national security. The major changes that challenge America to rethink national security interests and approaches are the end of the Cold War, the possible emergence of China as a strategic competitor, and the spread of economic, technological, cultural, and environmental aspects of globalization. The end of the Cold War diminishes military competition, a reality that is not significantly altered by the perceived emergence of China as a strategic competitor. Globalization complicates both the domestic and international environments of national security policy, contributes to the emergence of new national security concerns, and challenges the concept of a state sovereignty, which is the foundation of national security. How the United States perceives and defines its security interests in light of these changes will influence its relationships with the Pacific Islands. Of these changes, globalization is by far the most important.

Globalization refers to the far-reaching changes that have created a system of complex interdependence among nations as well as nonstate actors and individuals. Globalization implies a widening and deepening of cultural, economic, environmental, and political networks. Developments in one part of the world can have implications for other countries. Globalization refers to the ever-increasing interconnectedness of people, places, capital, goods, and services. It is a multifaceted process that manifests itself in such forms as global tourism, migration, environmental concerns, health risks, criminal activities, trade, and

financial transactions.² The evolution of US security policy toward the Pacific Islands is intertwined with the new threats that are receiving increased attention by those involved in policymaking in an evolving global society.

In many ways, the Pacific Islands clearly demonstrate several of the new challenges to American security in a radically altered strategic international environment. Many US security interests are difficult to separate from those of the Pacific Islands. The nonmilitary aspects of national security, while not replacing traditional military concerns, are demanding serious consideration. These include environmental problems such as climate change, drug trafficking and international crime, money laundering, ethnic conflicts, and political instability. Population pressures are likely to increase demands for ocean resources such as fish and minerals, which are found in abundance in the Pacific. Globalization makes it easier for relatively economically insignificant, marginalized countries to threaten US security. Indeed, it is the economic and political weakness of many Pacific Island states that motivates them to engage in activities such as money laundering, which contributes to undermining the war on drugs, a key US national security interest.

US security interests are linked to developments in the Pacific Islands by the tendency of globalization to create an interdependence of issues and problems. In a world in which borders are porous and distance rendered less of an obstacle by revolutions in communications technology, Pacific island problems are more and more becoming US problems. The weakening of national boundaries also weakens perceptions of us versus them, perceptions on which traditional approaches to national security are based. In an age of increasing globalization, it is becoming more difficult to separate national problems from global problems due to a greater sense of the dimension of human security. There is also growing interdependence of international issues, which helps to link Pacific Islands' concerns to seemingly unrelated problems. For example, it is generally believed that Europeans and others decided to deny the United States a seat on the UN Human Rights Commission partly because of President George W. Bush's decision to unilaterally abandon the Kyoto Protocol on global warming, an issue that is of great importance to low-lying Pacific Islands. As will be

² David Held, et al. *Global Transformations* (Stanford: Stanford University Press, 1992): 2.

discussed, the specific environmental problems of many Pacific Islands are perceived as interconnected with the broader global environmental agenda.

The growing perception of the United States as a Pacific nation, America's reduced emphasis on relations with Europe, its increased concern with the Asia-Pacific region and the growing political power of the US West and Southwest regions have implications for the evolving US security interests in the Pacific islands. As a Pacific nation, the United States has an interest in maintaining a stable environment in the Pacific, one in which American values are strengthened. Arguably, US credibility in the Asia-Pacific region depends to some extent on its relationships with these islands. Although they are small, Pacific islands that are unstable weaken US efforts to promote global stability. The outbreak and consequences of ethnic conflicts in the region undermine political stability and democratic institutions and values.

Despite declining American interest in many Pacific islands, important cultural reservoirs that have been created between the Pacific islands and the United States will continue to influence the evolution of US security policy in the region, a policy that is likely to reflect the changing views of national security. A cultural reservoir may be defined as an accumulation of goodwill and understanding that stems from a set of values, beliefs, attitudes, historical experiences, and ethnic links that two or more countries have in common. Similarities are strengthened by migration, international exchanges, military alliances, and economic and cultural interdependence. Cultural reservoirs strengthen the perception that friendly relations are the norm between culturally similar countries and that a disagreement is a deviation from an otherwise peaceful relationship.³

The foundation of the cultural reservoir between the United States and the Pacific islands was established during World War II and was consolidated through numerous strategic, economic, and political arrangements. In 1960, the United States Congress established and funded the East-West Center in Hawaii to promote research to assist the region with economic development, trade, and environmental problems, and to encourage cooperation among the governments

³ Richard J. Payne, *The Clash With Distant Cultures: Values, Interests, and Force in American Foreign Policy* (Albany: State University of New York Press, 1995), 4.

and peoples of the Asia-Pacific region.⁴ Despite continued US economic contribution to many islands and its participation in various regional organizations, many Pacific islands have felt neglected by the United States, whose major interests in the Pacific centered on its military alliance with Australia and New Zealand (ANZUS) and its exit strategy relating to the Trust Territory of the Pacific Islands.⁵ However, events in the region during the late 1980s raised the profile of the region for US policymakers. The most significant events being the 1986 collapse of the ANZUS alliance due to New Zealand's antinuclear policy, and two coups in Fiji in 1987. The overthrow of the Bavadra government by Lieutenant Colonel Sitiveni Rabuka (who would become Prime Minister) only exacerbated tensions within Fiji, the reverberations of which are still being felt today.

In part as a response to these events, a major development was President George Bush's interest in the Pacific states. Emphasizing personal diplomacy, President Bush met with leaders of Pacific islands six times between 1989 and 1990, compared to one meeting for all previous US administrations.⁶ President Bush also held the first summit meeting with Pacific heads of government at the East-West Center on October 27, 1990. Several contentious issues were discussed and the President proposed various initiatives to promote educational exchanges, economic development, and foreign investment.

President Bush stressed that America shared the islands' vision of the region's future and that the Pacific islands have a special place in the hearts and minds of the American people. He stated, "with island jurisdictions of our own, we are also proud of America's special place in the extended family of Pacific nations. We enjoy close relations linked by many bonds of friendship and family."⁷ By underscoring the importance of cooperation between the United States and the

⁴ US Congress, *Consideration of Miscellaneous Bills and Resolutions: Markup before the Committee on International Relations*, HR 104th Cong. 2nd Session (Washington: US Government Printing Office, 1997), 6.

⁵ The TTPI would fragment into the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. The Northern Marianas are a commonwealth in permanent affiliation with the United States, while the other three are independent states in Free Association with the US.

⁶ John C. Dorrance, *The United States and the Pacific Islands* (Westport, CT: Praeger, 1992), 105.

⁷ George W. Bush, "Remarks at the Conclusion of the Pacific Island Nations-United States Summit in Honolulu, Hawaii, October 27, 1990" *Weekly Compilation of Presidential Documents*, 1983.

Pacific islands, President Bush replenished the “pool of goodwill” or the cultural reservoir that appeared to many to be evaporating. As John Dorrance observed, the act of dialogue itself was undoubtedly the single most important contribution to shoring up US relations with the Pacific islands.⁸ Another means of strengthening the cultural reservoir is the participation of Pacific Islands’ representatives in the executive courses of the Asia-Pacific Center for Security Studies (APCSS). The APCSS, established in 1995, runs courses focusing on building relationships and the “non-warfighting” aspects of security. These courses attempt to increase awareness and understanding of US policies, encourage the development of friendships, and to promote trust among the participants. Nevertheless, by reducing its diplomatic activities in and reducing its financial assistance to the Pacific Islands, the United States threatens to dissipate the region’s reservoir of goodwill.⁹

Economics and National Security

Both American security interest and those of the Pacific islands are profoundly affected by the nature of the region’s economies. With an emphasis on trade as a crucial element of US security and foreign policy, many Pacific islands lack sufficient resources and markets large enough to attract much US interest. From America’s perspective, the islands’ decline in strategic importance makes it difficult to justify continuing to provide them with economic assistance. From the viewpoint of these islands, however, their security concerns are essentially their economic insecurity and limited political leverage.

Similar to many developing countries, the Pacific islands face severe constraints that impede economic development and contribute to their marginalization in the global economy. Despite the importance of modern communications technology, geography remains a major determinant of economic development. These island states are characterized by both isolation from leading industrial countries and population centers and geographic fragmentation. Most Pacific islands are not well integrated into the major trade routes. Trans-Pacific shipping and airline routes often skirt to the north, and when they do cross the region there is

⁸ Dorrance, 107

⁹ US Congress, *Foreign Assistance Legislation for Fiscal Year 1996, Part 6. Hearings before the Subcommittee on Asia and Pacific Affairs of the Committee on Foreign Affairs*, HR 103rd Cong. 1st Session, April 28 and May 6, 1993 (Washington: US Government Printing Office, 1994), 36.

¹⁰ John Overton and Regina Scheyvens, eds. *Strategies for Sustainable Development: Experiences From the Pacific* (London: Zed Books, 1999), 28.

no longer the need to stop to refuel. This makes transport costs prohibitive for the islands, which limits their export capabilities.¹⁰ Pacific islands are largely excluded from the rapid economic growth of the Asia Pacific region. Their small size and the vast distances between islands belonging to the same political unit render most of them economically insignificant. These economies have a very narrow production base, are characterized by low productivity, high levels of population growth, and heavy reliance on government expenditures.¹¹ Many Pacific states' economies are highly dependent on a few resources and are insufficient to create enough jobs, income, and a tax base to provide and sustain an adequate standard of living. However, as will be discussed, all of the islands have abundant ocean resources that could, if properly managed, enable them to develop their economies. Presently, the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM), and Palau receive payments from the US as part of the Compact of Free Association agreement. For the RMI and FSM, those payments expire in 2001, and have to be renegotiated at a time when the islands' strategic importance to the United States has clearly diminished.¹² Increased interest by Japan, Taiwan, China, and the European Union in the islands will undoubtedly result in the continuation of economic assistance. However, it is generally believed that US payments to the islands in exchange for certain security benefits have perpetuated a culture of financial and economic dependency that ultimately undermines the island's own security.¹³

Compact payments have been used to expand government services and to provide public sector employment. Consequently, the private sector remains weak as many governments have assumed responsibility for activities generally left to private enterprise. Public enterprises engage in production, marketing, and trading. The government is by far the most important employer of skilled and educated workers. In light of its changing security interests in the Pacific, the United States has encouraged countries that rely on US Compact assistance

¹¹ Asian Development Bank, *Improving Growth Prospects in the Pacific* (Manila: Asian Development Bank, 1998), v.

¹² The financial aspects of the Compact ran for 15 years and expire in 2001 for the RMI and FSM, but there is a two-year extension of funding at current levels to allow for negotiation of a new agreement. Palau accepted its Compact agreement with the US in 1994 and so their financial component is due to expire in 2009.

¹³ Wali M. Osman, *Republic of the Marshall Islands Economic Report* (Honolulu: Bank of Hawaii, 2001), 6.

to become more efficient and to promote private enterprise. For example, Palau has developed a National Master Plan that has three main objectives. These are:

- 1) A substantial shift in economic activity from the public to the private sector
- 2) Reducing the relative size of government
- 3) Identifying financial strategies to offset the decline in US assistance¹⁴

US Strategic Interests

American security interests in the Pacific are determined by both current strategic and political realities and future contingencies. In fact, it could be argued that the importance of the Pacific depends to a large extent on how those security interests are defined. There are no serious military threats to the United States in the region, former foes are now strong allies, and Russia is too weak militarily and too preoccupied with its internal problems to be involved in the Pacific. How the US perceives China is the crucial factor, a perception that seems to change from one US administration to another. Clearly, the current perception of China by the Bush administration as a strategic competitor could lead to developments that would alter US strategic interests in the Pacific. However, a realistic assessment of global political, economic, and cultural trends would suggest that militarily, the Pacific islands are declining in strategic importance.

While the United States' strategic interests require the maintenance of unimpeded access to the larger Asia-Pacific region by denying potential adversaries the ability to interfere with trans-Pacific air and sea routes, it is difficult to imagine a military challenge to American naval power in the Pacific, certainly in the short-term. China, a potential rival, is essentially a regional power with little interest in the Pacific, other than preventing Taiwan from buying political support from the small island states. China's present military capabilities are clearly inferior to those of the United States. Furthermore, China's emphasis on trade and its participation in the global economic system means that it shares US interests in maintaining the security of air and sea routes across the Pacific. Continuing security interests in the Pacific island nations also stems from the fact that the United States is a Pacific nation with several island territories and close relations with other islands.

¹⁴ World Bank, *Enhancing the Role of Government in the Pacific Island Economies* (Washington, DC: The World Bank, 1998), 61.

The Marshall Islands, for example, will remain important for US security interests, despite political, military, and technological changes. Under the Compact signed in 1986, the United States is responsible for the security and defense of the Marshall Islands, and the government of the Marshall Islands is obligated to refrain from doing anything that would undermine US security interests. Under the agreement, the United States maintains missile-testing facilities on Kwajalein Atoll. The renewed emphasis by the Bush administration on the Strategic Defense Initiative is likely to increase the strategic significance of the Kwajalein Missile Range. US security interests in the Pacific islands are intertwined with what appears to be a shift in strategic thinking in the United States. A 2001 Rand study outlines several potential challenges to American power in the Asia-Pacific region and suggests strategies for dealing with them, all of which would increase the role of many Pacific islands in safeguarding US security.¹⁵ The Rand report identifies a rising China as the main concern. Other concerns include territorial disputes and the reconciliation of North and South Korea, a development that would alter strategic arrangements in Asia. The Rand report suggests that Guam should be built up as a major hub for projecting US power throughout Asia. The large US Marine Corps force on Okinawa could be relocated to Guam or Hawaii. In all of these scenarios, having friendly and stable governments in the Pacific islands will strengthen the United States' security interests. In other words, an intensification of rivalry with China and the adoption of a more confrontational foreign policy in Asia will require the United States to develop stronger ties with several Pacific island states.

The South Pacific Nuclear Free Zone

In contrast to the Pacific island states, which view nuclear testing and other nuclear issues primarily as environmental issues, the United States focuses mainly on its security aspects. In this area, the Pacific islands and the United States have divergent interests. Several years of US, British, and especially French nuclear testing led to the formation of the Nuclear Free Pacific movement. French testing in particular gave rise to an anti-colonial dimension to the opposition to nuclear weapons, largely because of France's failure to consult people affected by nuclear tests. Although more concerned with the environ-

¹⁵ *The United States and Asia: Towards a New US Strategy and Force Posture* (New York: Rand, 2001).

mental rather than the colonization issues, antinuclear movements in New Zealand and Australia consolidated support for creating a South Pacific Nuclear Weapon Free Zone to keep the region free of the risk of nuclear contamination. Their activities resulted in the South Pacific Nuclear Free Zone Treaty (SPNFZ) or the Treaty of Rarotonga, which was signed in 1985.

The SPNFZ Treaty essentially prohibits the stationing of nuclear weapons, their manufacture or testing anywhere in the territories of South Pacific states. However, the treaty allows each state to make an exception to nuclear weapons that may be aboard ships that are visiting its ports or navigating its territorial sea, and for weapons that may be aboard aircraft that are visiting its airfields or which are transiting its airspace. Perhaps the strongest opposition to nuclear weapons came from Palau, which overwhelmingly approved an antinuclear clause in its constitution. Pressured by the United States and wanting to secure Compact funds, Palau eventually removed the antinuclear clause in 1994 in order to accept Free Association with the United States.

Although the United States recognized that the South Pacific nuclear free zone had been designed not to conflict with its security interests and that the establishment of this zone could strengthen both nonproliferation efforts and international stability, it refused to sign the treaty until 1996. The Treaty of Rarotonga does not conflict with US policy of neither confirming nor denying the presence of nuclear weapons on US vessels or aircraft. It also meets the criteria established by the United States to determine the effectiveness of nuclear-weapon-free zones. These include:

- 1) The initiative is from the nations within the region
- 2) All the nations whose participation is deemed important participate
- 3) Adequate verification of compliance is provided
- 4) It does not disturb existing security arrangements to the detriment of regional and international security
- 5) All parties are barred from developing or processing any nuclear device for any purpose.¹⁶

¹⁶ US Congress, *The Establishment of a South Pacific Nuclear Free Zone*. Markups before the Subcommittee on International Security, Feb. 4, 1994 (Washington, D.C.: US Government Printing Office, 1996), 11.

Citing developments such as the end of the Cold War, the collapse of the Soviet Union, sharp reductions in the number of nuclear weapons and their delivery systems, the almost universal adherence to the Non-Proliferation Treaty, and progress on a comprehensive test ban treaty, the United States joined France and Britain in signing the protocols for the South Pacific Nuclear Free Zone Treaty in 1996. The first Protocol is intended for those nuclear powers that have dependencies in the region (USA, United Kingdom, and France). It asks that they apply the precepts of the treaty to their dependencies. The second and third Protocols were meant for the five declared nuclear powers (USA, UK, France, China, and the Soviet Union). They ask that no nuclear weapons be used against a signatory to the treaty and that the nuclear powers do not test nuclear devices in the region. Despite signature in 1996, however, the US Senate has not ratified the treaty. The nuclear weapons issue is likely to remain an important concern of Pacific island nations. However, other security threats such as global warming, resource management, ethnic conflicts, and money laundering are helping to shape US relations with the Pacific islands.

Environmental Threats

Environmental issues have always been considered an integral component of the Pacific island states' security, especially the low-lying islands. Not all Pacific islands face the same environmental threats, however. The low-lying islands have extremely fragile environments and limited natural resources, including fresh water. Even a modest rise in the sea level could contaminate water supplies and force many inhabitants to evacuate. Examples include the Marshall Islands (where the United States has significant security interests), Kiribati, and Tuvalu. It is estimated that approximately one-fifth of all Pacific islanders could be forced to evacuate due to rising sea levels. The larger Pacific islands (such as Papua New Guinea and Fiji) have more natural resources, are more ecologically diverse, and would not be seriously threatened by rising sea levels. Approximately 90 percent of the population of the Pacific islands lives in these two countries.¹⁷ Most Pacific island states, however, are very concerned about environmental threats to their security. Governments, nongovernmental organizations, international organizations, and individuals increasingly perceive environmental issues as global issues, meaning that environmental problems in

¹⁷ Overton, "Sustainable Development and the Pacific Islands," In *Strategies for Sustainable Development*, 10.

distant places can have consequences for other societies. The psychological aspect of national security manifests itself in environmental issues. Perceptions of the Pacific as peaceful and pristine are an intangible but important aspect of national security in the 21st century.¹⁸

Evidence of serious implications of environmental change has convinced most policymakers and nongovernmental organizations around the world that global security cannot be neatly separated from national security. Climate change has devastating consequences for many countries beyond the Pacific and is in many ways of greater concern than military threats. The ramifications will affect not only small island states in the Pacific, but every country to varying degrees.¹⁹

There is global consensus that reducing the dangers of environmental changes require the stabilization of greenhouse gases. This means reducing current global emissions by 50 to 60 percent over this century, even as economies and populations grow. This also means diminishing the use of coal and oil and increasing the use of non-carbon energy sources. Widespread changes would have to be implemented to achieve these goals and consumers would face higher costs.²⁰ Because they are the most vulnerable to global climate change, small island states in the Pacific and elsewhere played a crucial role in getting the issue on the international agenda and in helping to demonstrate how global warming affects industrial countries as well, including the United States. While many in the United States, including former President George Bush, wanted more evidence of global warming before taking measures to reduce its growth, the Pacific islands believe that they “don’t have time to wait for conclusive proof. The proof, we fear, may kill us.”²¹ Pacific island states collaborated with environmental nongovernmental organizations at the Earth Summit in Rio de Janeiro in 1992 to obtain an agreement to reduce greenhouse gases.²²

In 1982 the Pacific island states initiated the Conference on the Human Environment in the South Pacific, which was held at Rarotonga, Cook Islands. This

¹⁸ Shibuya, “Roaring Mice”.

¹⁹ See Chapter by Shibuya in this volume.

²⁰ Robert Repetto and Jonathan Lash, “Planetary Roulette: Gambling with the Climate,” *Foreign Policy* (Fall 1997): 86.

²¹ Shibuya, “Roaring Mice,” 541.

²² Jessica T. Mathews, “Power Shift,” *Foreign Affairs* 76, No.1 (January-February 1997): 55.

conference set the foundation for the Agreement Establishing the South Pacific Environmental Program (SPREP). The purposes of SPREP include the promotion of cooperation in the South Pacific region, the provision of assistance to protect and improve the environment, and the ensurance of sustainable development for present and future generations. Because the agreement directly benefits American Samoa, the Northern Marianas, and Guam, President Clinton decided to sign the agreement in 1997.²³ President Clinton supported initiatives on global warming that directly benefited the Pacific Island states, including signing the 1997 Kyoto Protocol. In 1998 the Pacific Islands Forum encouraged all countries to sign the Kyoto Protocol and to work toward its earliest possible ratification. Clearly, President George W. Bush's 2001 decision not to implement the Kyoto Protocol threatens their security. Bush argues that the United States should not be required to reduce carbon dioxide emissions as long as China, India, Indonesia, and other major polluters in the developing world are exempted from the Protocol's regulations. President Bush believes that encouraging greater use of "clean-burning coal" and oil is in America's national interest. From the Pacific island states' perspective, America's short-term view of its national interest amounts to a national security crisis for them.

Closely related to environmental security is the issue of fishing. Protection of marine resources is of vital importance to Pacific island states. International law enables them to legitimately claim national economic rights over exclusive economic zones. On the other hand, these island states lack the resources to effectively monitor and control fishing within such vast areas of the Pacific Ocean. Both the United States and the Pacific island nations have an interest in promoting the sustainability of highly migratory species, such as tuna, which is abundant in the South Pacific. The United States position is that tuna cannot be managed on a unilateral basis. The Fisheries Conservation and Management Act of 1976 calls for economic sanctions against countries that persist in making unilateral claims of jurisdiction over tuna, partly because 90 percent of the tuna caught by US fisherman comes from international waters. The desire of South Pacific islands to exert jurisdiction over all fisheries within their exclusive

²³ William J. Clinton, *South Pacific Regional Environment Programme Agreement* (Washington; D.C.: US Government Printing Office, 1997), v.

²⁴ US Congress, *South Pacific Tuna Act of 1987*. Hearings before the National Ocean Policy Study of the Committee on Commerce, Science, and Transportation. US Senate, 100th Congress 2nd Session, Feb. 23, 1988 (Washington, D.C.: US Government Printing Office, 1988), 4.

economic zones clearly conflicted with US policy.²⁴ To work out their differences in a way that protects their security interests, the Pacific island states and the United States signed the South Pacific Multilateral Fisheries Treaty in 1988. Under the agreement the United States provides \$140 million in economic assistance over a ten-year period in exchange for access for the US tuna industry to roughly 10 million square miles of what is generally regarded as the richest tuna fishing ground in the world.²⁵ The US tuna industry is also committed to providing technical and other fisheries-related assistance to the island states.

Migration

Another security concern is the growing number of illegal immigrants from China in Guam. Many Chinese smugglers, especially from Fujian Province, view Guam as a relatively safe gateway to the continental United States. The presence of the US Immigration and Naturalization Service (INS) in Guam and the application of US immigration law to Guam are magnets that draw illegal immigrants to Guam. The goal of the smugglers is for the aliens to pursue asylum claims, especially in light of America's emphasis on human rights violations in China. They can then request release from an overburdened and overcrowded INS detention system, and work to pay off huge debts to the smugglers.²⁶ Combined with illegal immigration from elsewhere, the problems in Guam underscore America's inability to adequately protect its borders, which is an essential component of national sovereignty and national security.

Money Laundering

International criminal activities, which are spreading in an increasingly globalized economy, pose threats to national security that cannot be adequately addressed by the military.

National security is being redefined by the process of globalization and the new concerns of the American society. The globalization of financial services, the growth of "megabyte money," and the ease with which money can be transferred electronically have facilitated the practice of money laundering. It is very

²⁵ In 1992, the agreement was extended for another 10 years at US\$18 million per year.

²⁶ US Congress, *Miscellaneous Immigration and Claims Issues*. Hearing before the Subcommittee on Immigration of the Committee on the Judiciary, HR 106th Congress, May 18, 1999 (Washington, DC: US Government Printing Office, 2000), 65.

difficult for law enforcement officials to regulate transnational financial transactions, partly because it is virtually impossible to distinguish the transfer of licit money from illicit money.²⁷ One of America's major security concerns, the war on drugs, is directly connected to money laundering. The globalization of financial transactions makes it possible for remote Pacific islands such as Nauru and Palau to undermine US efforts to combat drug trafficking by enabling those involved in the drug trade to hide their money.

Money launderers take advantage of offshore banking found on many small islands in the Caribbean and the Pacific. These islands' economies are relatively weak, which makes it easy for governments seeking to increase revenues and employment opportunities to overlook criminal activities. Another problem is strong support for ways to shelter money obtained legally from taxation. Recently, US Treasury Secretary Paul O'Neill indicated that the United States has cause to re-evaluate its participation in the Organization for Economic Cooperation and Development working group that targets tax havens such as Panama, the Bahamas, and Monaco. Secretary O'Neill believes that since cutting taxes is one of President Bush's top priorities, US policy abroad should mirror the goal of tax reduction. But this approach directly contradicts the president's efforts against drug production and drug trafficking. As Nigel Morris-Cotterill observed, "in the absence of effective international cooperation, there will be no realistic chance of defeating or significantly curbing money laundering."²⁸

Conclusion

US security interests in the Pacific island states have clearly been affected by major changes in the international system, especially the end of the Cold War and the spread of economic globalization. It is difficult to make a case for continued American financial support for islands that are now of little strategic value in the traditional sense. However, renewed interest in the missile defense system and the perception of China as a strategic competitor, at least under the Bush administration, means that some islands will remain strategically important to the United States.

²⁷ UN Office for Drug Control and Crime Prevention, *Financial Havens: Banking Secrecy and Money Laundering* (New York: United Nations, 1998), 20.

²⁸ Nigel Morris-Cotterill, "Money Laundering," *Foreign Policy* (May-June 2001): 20.

More significantly, nonmilitary threats to national security, such as climate change and global warming, drug trafficking and money laundering, access to fish resources in the Pacific, and illegal immigration will continue to make the Pacific island states important to US security interests. Ethnic conflicts, deteriorating economic conditions, and, to some extent, environmental problems, while posing risks for US security interests, must be primarily the focus of the Pacific island states. They have demonstrated an ability to cooperate to deal with issues of concern. This spirit of cooperation as well as the cultural reservoirs build up over many years with the United States will ultimately enhance both their own security interests as well as those of the United States.

The Role of France in Pacific Islands Security

By Karin von Strokirch

Security is perceived in the eyes of the beholder, so in order to determine whether France is contributing to Pacific security it is necessary to define security for whom and against what. France's security objectives relate primarily to the continuing exercise of sovereignty over its territories, strategic considerations and exerting global influence. Pacific Island's security preoccupations include economic development, environmental sustainability, political stability, and internal law and order. For nationalists, security is integrally linked to indigenous rights including culture, land and the right to self-determination. French security priorities thus have not always coincided with those of its Pacific territories or of the Pacific region as a whole.

Until 1988 French colonial policies in New Caledonia were perceived as contributing to insecurity in the form of a protracted conflict between nationalists and loyalists backed by the French state and military. Similarly, until 1996 the French nuclear test program in Polynesia was a threat to security on health and environmental grounds, while it was also an affront to indigenous rights. Since abandoning its intransigence on colonialism and nuclear testing, France's policies have shifted more into line with Pacific Island security perspectives.

This paper focuses on the period, from the late 1980s onwards, when France significantly altered policies to both its territories and the region as a whole. First, France's objectives and methods of achieving them are explored. Then the policies and outcomes are assessed from the perspective of the French Pacific territories. The response of the Pacific microstates and Australia to France's reinvented role in the region is also analysed. Finally an assessment is made of the prospects for France's future engagement in the region.¹

French security policy - objectives and strategy

According to France 'the primary aim of the defence and security policy is to

¹ Dr Mary Low-O'Sullivan undertook research on recent events for this chapter and her assistance is gratefully acknowledged.

protect the fundamental interests of the nation which can be divided into vital interests, strategic interests and France's interests as a world power.² While these goals in security policy are clearly inter-related, for the sake of convenience they will be addressed separately.

The first goal of security policy, that of the vital interests, is to ensure 'the free exercise of France's sovereignty and the protection of the French people.' For as long as the French Pacific territories opt to remain part of the Republic, France will seek to protect them from both external and internal attacks on French sovereignty and the integrity of its national territory. The third of six scenarios outlined in the 1994 Defence white paper concerns a low-level attack on French territory overseas. While not regarded as a likely development, France maintains it is a possibility which can not be ignored. It is the function of defence forces to plan for even the most unlikely threats arising in the future yet, like the Pacific Island microstates, it is almost inconceivable that French Pacific territories would face an external military threat.

The second goal of security policy is to protect France's strategic interests and many parts of overseas France play an important role in this respect. Clearly the overwhelming strategic priority for France with regard to the Pacific until 1996 was to retain sovereign control over French Polynesia and thereby ensure that the Pacific Experimentation Centre (CEP) could continue nuclear testing at Moruroa and Fangataufa. The fact that France undertook nuclear tests in French Polynesia for thirty years also provided a potent focus for indigenous Maohi nationalists to oppose not only the military presence but French sovereignty as a whole. In this context, France wanted to retain sovereignty over New Caledonia, for if it acceded to independence this may have exacerbated nationalist demands for independence in French Polynesia.

In the past realistic threats to French sovereignty, people and strategic interests stemmed primarily from indigenous nationalist resistance within the Pacific territories. French perceptions of threat reached their peak in the late 1980s under the government of Prime Minister Chirac when several thousand troops were deployed in New Caledonia to put an end to militant actions by the

² First articulated in 1959, this concept of vital interests still applies. Ministry of Defence(A), 'The French force commitment and concepts', <http://www.defense.gouv.fr>, no date, accessed 23 Apr 2001.

Nationalist Kanak Socialist Liberation Front (FLNKS) in their campaign for independence. The last internal security threat ostensibly directed against the French state was the 1995 protests and riots in Papeete, which were mounted in response to the resumption of nuclear testing after an extended moratorium. By contrast, threats to the security of the territories in the foreseeable future will be in the form of socioeconomic tensions flaring up into protests which pose challenges for law and order. These are more likely to be directed at incumbent territorial governments rather than the state and its strategic interests.

Apart from any intrinsic value France may attribute to the security and welfare of the indigenous inhabitants of its territories as French citizens, it also retains distinct vested interests of its own. French concerns for internal law and order are understandable in so far as it is loathe to stand by in the face of any potential threats posed to infrastructure, public services and development projects paid for at considerable cost by France. Moreover, French corporate interests have significant interests in the territories, for example in the form of monopolies over the provision of utilities, while in New Caledonia sizeable mineral resources are at stake for private companies. Notably in New Caledonia, and to a lesser extent in French Polynesia, France is concerned to protect the physical and financial security of French settlers, their descendants and French civil and military personnel. These concerns to protect French interests from internal security threats also extend to former colonies such as Vanuatu and will conceivably persist in the remainder of the French Pacific in a post-independence context.

Notwithstanding the desire to exercise sovereignty over and extend protection to overseas France, it is clear that Paris identifies its vital interests and strategic priorities as lying closer to home in metropolitan France, the greater Europe and the Middle East. Consequently, in the post-CEP era the rationale for France's strategic presence in the Pacific territories is less obvious and can only be explained with reference to France's notion of itself as a *puissance mondiale moyenne*. Its image as a world power stems from its status as a: nuclear weapons state; permanent member on the UN Security Council; G7 member; and leading member of the European Union (EU). Of most relevance to the Pacific is France's assumption that its claims to global stature are supported by virtue of its presence in the overseas territories. As a state with proclaimed global interests and responsibilities, France and its defence forces are preoccupied with

promoting international security which includes peace enforcement and peace-keeping operations.

France is now the only country apart from the US which maintains a genuinely global network of military bases, communications facilities and some 20,000 troops in its territories. It is determined to retain that distinction both for strategic and symbolic reasons. France asserts that in order to deploy forces for the purpose of crisis prevention and control in regional conflicts, 'reaction time is optimised by the basing of army, naval and air force units in overseas departments and territories.'³ New Caledonia and French Polynesia's strategic importance is explained in these terms. During the Cold War France argued that its territories benefited the Western alliance by way of strategic denial. Such logic may seem outdated in the contemporary international context, nevertheless military strategists plan for unknown threats. From this perspective French Polynesia alone adds five million square kilometres of ocean to the orbit under French control. Both territories provide Francophone venues for rest and recreation for French military forces.

French security forces in the Pacific 2001

In New Caledonia France maintains security forces comprising 2,700 personnel, including 700 in the gendarmerie (national police). The army accounts for 1,150 personnel, the bulk of whom make up a Marine Infantry Regiment (RIMAP). At the Tontouta airbase near Noumea the airforce has three CN-235 Casa transport planes, five Puma helicopters, two Fennec helicopters and 180 personnel. The navy in Noumea maintains two P400 class patrol boats, a Batral class light transport, one Gardian reconnaissance plane, a communications facility and 630 personnel. The two territories share two F730 class surveillance frigates to cover the Pacific maritime zone; one is based in Noumea and the other in Papeete. In French Polynesia the naval base at Fare Ute has two P400 class patrol boats, a Batral class light transport ship, an A635 supply tender ship, an oceanographic survey ship, a maritime police ship, one Gardian reconnaissance plane, a communications facility and 680 personnel. The army accounts for 960 personnel and the gendarmerie has 370 personnel. The airbase 190 adjacent to Faa'a international airport hosts two Casa transport planes and three Super Puma

³ Ibid.

helicopters while the airforce has 300 personnel.⁴

In terms of symbolism France believes that military forces stationed overseas fulfill a significant function by impressing the populations of French territories and regional states with its might and influence. For example, at the 1999 annual Forum meeting held in Palau, French officials hosted a cocktail party for regional heads of state on a French warship. Periodic port calls to Pacific states were justified by a former French Prime Minister, Michel Rocard, because they: 'contribute to a better perception of our defence policy and attest to France's desire to be a part of the South Pacific Ocean.'⁵ Moreover, joint military exercises are believed to 'strengthen France's influence' by enabling 'the display of French capabilities and the demonstration of the performance of French equipment.'⁶

French defence and security policy, but more so foreign policy, explicitly refers to the need to protect national interests by extending French influence worldwide. The national interest is thus not restricted to strategic military and economic concerns but includes the promotion of French core values and culture. Overseas territories, including those in the Pacific and to a lesser extent former French colonies, are thus viewed as an important means of projecting French language and culture via a global Francophonie. Indeed, a Secretary of State for Overseas France drew attention to the fact that New Caledonia, French Polynesia and Vanuatu form a combined French speaking population of some 500,000 people.⁷ In 1986 France inaugurated a summit which has since been held every two years for the now 52 members of Francophonie. At the summit held in 1999 President Chirac called for an Observatory for Democracy to promote human rights and democracy.⁸ France is keen for Francophonie to assume a similar status and role to the anglophone Commonwealth of nations with respect to monitoring and responding to developments within its member states.

⁴ Ministry of Defence (B), 'Les forces armees de la Polynesie francaise', <http://www.defense.gouv.fr> accessed 23 Apr 2001. Patrick Stervinou, Defence Attache, French embassy provided 'Forces armees en Nouvelle Calédonie', Canberra May 2001.

⁵ N. Maclellan, 'Liberty, equality, fraternity? French military forces in the Pacific', *Interdisciplinary Peace Research*, vol.2, no.1, May-Jun 1990, p13.

⁶ Ministry of Defence (A), op.cit.

⁷ J-J. Queyranne, 'The South Pacific: A new frontier?', *New Zealand International Review*, Jan 2000.

⁸ African News Service, 'Canada-Francophonie summit opens', 7 Sep 1999.

The promotion of Francophonie is in part a response to the threat posed by globalization which is perceived with alarm by France as being dominated by the US. France's socialist foreign minister, Hubert Vedrine, has effectively made an appeal for other nations to accept French leadership in a global cultural battle. There is of course an irony in the legitimising logic of the Francophonie agenda as outside of France it seeks to entrench a language and culture which is not that of the indigenous people but rather that of its former or actual colonial overseer. On the economic front Vedrine presents France as the country which will 'humanize' or 'tame' what he calls 'savage capitalism'. He therefore posits France as a friend to developing countries in efforts to regulate global capital. Vedrine claims that 'a big part of French opinion thinks that France's particular role is to intervene abroad for the good of others.'⁹ France's quest for influence thus extends well beyond its own territories to the developing world in general. In the regional context this suggests that France is not just seeking to dispell criticism of its colonial and nuclear policies, the Pacific also forms part of a global grand design. It is pragmatic to concentrate French efforts in a region of territories and microstates where small amounts of aid can have a major impact.

Territorial perspectives - French Polynesia¹⁰

In French Polynesia the loyalist view is adhered to by the governing party of Tahoeraa led by Gaston Flosse. Tahoeraa tends to represent the views of those who have most benefited from the French presence. Apart from metropolitan French people, the loyalist camp thus includes the urban elite who work for the burgeoning state and territorial bureaucracy and the service industry. These people are loath to give up the privileged lifestyle sustained by financial transfers from Paris. However, in the far-flung archipelagos, notably in the Marquesas, there is also strong loyalist support due to concerns that only France can maintain costly infrastructure and essential services. The archipelagos are fearful too that they would experience discrimination from Tahiti in the absence

⁹ C. Caldwell, 'Vedrinism: France's global ambition', *Policy Review*, Oct 2000.

¹⁰ This section draws on research by K. von Strokirch including: 'French Polynesia in review', *The Contemporary Pacific*, Spring issues 1995 to 2001; 'Gaston Flosse: a recipe for longevity in Tahitian politics' in *Leadership in the Pacific*, D. Shuster, P. Larmour & K. von Strokirch (eds), Australian National University, Canberra, 1998; chapter co-authored with S. Firth, 'The nuclear Pacific' in *Cambridge History of the Pacific Islanders*, D. Denoon et.al. (eds), Cambridge University Press, 1997; "Recent political developments in French Polynesia 1991 - 1993" *Journal of Pacific History*, Dec 1993; 'The impact of nuclear testing on politics in French Polynesia', *Journal of Pacific History*, vol.26, no.2, Dec 1991.

of France overseeing their welfare.

The Tahoeraa party seeks to maintain a close form of political association with France but within this framework has continually sought increased powers for the territorial government. Since the territory lobbied for and obtained a statute of internal autonomy in 1984 there has been a steady expansion in territorial powers over the local economy and limited elements of foreign policy. The loyalists have argued consistently that the best way to undermine the independence campaign is by granting the territory the most expansive form of autonomy possible within the French Republic. France has retained the sovereign powers of currency, law and order, justice, defence and also foreign policy in so far as the latter must comply with France's international obligations.

Tahoeraa also demands that France continue to provide financial assistance at the existing high levels on several grounds. It argues that France owes a debt to the territory for hosting the nuclear test program for thirty years and thus contributing to French national security. Moreover, as a result of the combined effect of the CEP's pivotal economic role and the associated flow of cash from Paris, the territorial economy has become severely distorted and dependent on aid to sustain a high standard of living. For these reasons France is seen to have an obligation to assume the costs of sustainable development over the long term and, in the meantime, to maintain law and order in the face of civil unrest over socioeconomic disparities. Once again, the loyalists call upon French financial support as a key means to offset nationalist demands for independence.

The principal opposition party in French Polynesia is the pro-independence Tavini led by Oscar Temaru. This party tends to represent the views of those who have been relatively disadvantaged in the modern economy overseen by France and the loyalist local government. Here the gulf between expectation and reality is important. Although the French territories have on average the highest standard of living in the Pacific, within the territories the gulf between rich and poor is widening and this trend is considered unacceptable for those on the losing end of the spectrum. Partisans of the pro-independence camp are indigenous Maohi concentrated in the urban areas of Tahiti and include the working poor, unemployed, radical trade unionists and disaffected youth.

Nationalist parties in French Polynesia have held legitimate grievances over the

political system imposed by France. In the early 1960s, France outlawed the popular pro-independence anti-nuclear party and would not allow independence parties to operate again until the mid-1970s. Thereafter nationalists still felt disadvantaged by structural inequities including an electoral system weighted heavily in favour of the loyalist party's stronghold in the outer islands. Democratic principles were upheld with more vigor than usual after the 1996 territorial elections when ten Tahoeraa party representatives had their results annulled by the French judiciary due to electoral fraud. In the year 2000 France finally agreed to adjust the system of electoral representation in recognition of the fact that three quarters of the population now live in Tahiti and Moorea. As a result of greater vigilance by the French judiciary and electoral reform the Tavini party has become more accepting of electoral outcomes as democratic and broadly representative. This is despite the fact that Tavini failed to increase their vote in the 2001 election.

Tavini still opposes the right of metropolitan French to vote in territorial elections, but given that the indigenous Maohi constitute a large majority they have not been as vocal on this score as the Kanaks. Conversely, the Tahoeraa party has not sought to restrict the vote to long term territorial residents because metropolitan French, including the military, overwhelmingly vote for the loyalist party.

For the best part of twenty years the Tavini party advocated complete independence in the shortest possible time. As a representative of disadvantaged indigenous people it maintained they had nothing to lose by abruptly terminating the relationship with France. This policy has not proved to be electorally rewarding to date as Tavini has been unable to increase its share beyond a quarter of total votes cast. Consequently, since the mid-1990s there has been a shift in Tavini's policy to a convergence with the majority perspective over the economic imperatives of association with France. Even Tavini's constituents benefit from the high levels of state funded public services such as health and education. Now Tavini maintains, for the same reasons as Tahoeraa, that France has a moral obligation to assist French Polynesia in a post-independence context. This new perspective perhaps explains why the Tavini party finally entered into discussions with the socialists in Paris over statutory reform in the late 1990s.

Unlike the FLNKS in New Caledonia during the 1980s, the main pro-independence parties in French Polynesia have never opted for a systematic or prolonged campaign of direct actions, civil disobedience or violence as a means to oust the French state. Although radical youths have expressed enthusiasm for a more militant campaign along the lines of their Melanesian counterparts, they have been restrained by nationalist leaders (notably Temaru) who have consistently advocated non-violent democratic methods. In view of France's increasingly progressive policies towards the territory it seems unlikely that Tavini would opt for a militant strategy of decolonisation.

Of the remaining powers France exercises in French Polynesia, its administration of justice and of law and order are of great interest for present and future security considerations. The government welcomes the state's responsibility for law and order, indeed, President Flosse recently called upon France to increase the presence of the French security forces, purportedly to deal with external threats posed by globalisation. Sceptics would argue that Flosse's real intention is to see the security forces deployed against threats to his government from the opposition and more broadly civil society. The Tavini party has formed coalitions with the powerful Evangelical church, radical trade unions and non-governmental organisations to oppose government policies and practices. One target has been the perceived level of corruption in the territorial government. There have been campaigns in favour of raising the minimum wage and against higher taxes. Large scale development projects have been opposed by sections of civil society on a range of social, cultural and environmental grounds. Some of these protests have been militant in the form of barricades, sit-ins and other forms of civil disobedience.

On these occasions the territorial government has called upon state security forces to restore order and arrest the protagonists. To the state's credit, in the past decade successive French High Commissioners have been reluctant to employ security forces except as a last resort. Instead, they have generally opted for mediation and dialogue between the disputants in the quest for a peaceful settlement. This policy of restraint by the state has been a source of frustration for President Flosse who has responded by expanding his bodyguards into a Polynesian Intervention Group. While its function is ostensibly to undertake public works, it doubles as a small-scale security force. This latter role has since

been contested by the French state as exceeding territorial powers. Nevertheless, the opposition is alarmed by the scope for abuse of power given that this militia type force of several hundred is under the direct control of the President.¹¹

Prospects for internal security in French Polynesia are also integrally connected to France's future level of engagement with regard to financial transfers and the promotion of sustainable economic development. There is now bipartisan agreement within the territory that French aid should continue at a high level for the foreseeable future. The great unknown factor though is whether France will maintain financial transfers to the territory regardless of its political status. In 1996, by way of compensation for the CEP's closure and to mute international criticism, President Chirac agreed to a significant extraordinary aid allocation of A\$243 million per annum for ten years. There is no indication of how much aid France will provide after this program ends. The program is meant to facilitate a post-CEP conversion of the economy to a more sustainable footing. Yet, this is where the French state is faced with the traditional aid donor dilemma of how to direct aid expenditure to sustainable development projects without overriding the autonomy of the territorial government.

The post-CEP era has seen a resurgence of economic growth in the territory but much of this has been driven by aid funded public works. There are concerns over how much of the aid has been directed towards sustainable development. Expansion of the tourism sector has its limits while the success of the black pearl industry is vulnerable to the vagaries of the international market. Although France has been generous in its continued subsidies to other overseas dependencies, this was not to the level French Polynesia received during the CEP era. Moreover, the experience of former French colonies suggests that France would give enough aid to retain influence but it would not be prepared to underwrite a high standard of living in a post-independence context.

It could be argued that French Polynesia must progressively learn to live more within its means like the Pacific microstates. However, the political reality of this option is problematic because in Tahiti there is a tradition of militant protest in response to any threat to living standards. The riots in 1995, while ostensibly a reaction against the resumption of nuclear testing, were widely acknowledged

¹¹ *Tahiti Pacifique*, monthly current affairs magazine, Moorea, French Polynesia, Aug 2000, pp28-29.

as stemming from deeper social tensions caused by widening socioeconomic disparities. The main protagonists in the destructive rampage were disaffected indigenous youth. The cost of damage to the airport and central business district caused by these 24 hour riots came to A\$50 million. Nor was this the first time Papeete had experienced riots. There were two earlier occasions: in 1987 as a result of industrial unrest and in 1991 in a revolt against tax hikes. These precedents suggest that a failure to bring about more equitable development based on grassroots consultation could result in further civil unrest and destructive violence.

Whereas to date there has not been an overt ethnic dimension to conflict in Tahiti this can not be ruled out as a possibility. The Maohi people were subjected to systematic assimilation to French culture via education, mass media, inter-racial marriage, urbanisation and partial integration into the modern economy. These assimilation processes were most pronounced during the CEP era and the cumulative effect has reduced the scope for ethnonationalism. However, in the last two decades there has been a Maohi cultural revival emphasizing a distinct indigenous identity. Moreover, the relatively small size of the European, Chinese and mixed race communities belies their wealth and influence. The Maohi are well aware that class distinctions closely correlate with ethnicity. This elite could conceivably become a target if social and economic conditions deteriorate.

Territorial perspectives - New Caledonia

In New Caledonia the principal political divisions are also between the loyalists represented by the Assembly for Caledonia in the Republic (RPCR) party and the nationalists represented by the FLNKS coalition. However the demography, history and economic outlook of New Caledonia are quite different to that of French Polynesia so while there are broad similarities in the aims of the two competing camps, different political configurations and strategies have emerged with varying implications for security.

In contrast to the Maohi, the Kanaks were subjected to a colonial policy of segregation. They were shifted into reserves to pursue a subsistence lifestyle while fertile land was alienated from them and transferred to French settlers (caldoches). The Kanaks were excluded from the agriculture, mining, commerce and tourism sectors which constituted the modern economy. The greater

economic potential of New Caledonia attracted high numbers of immigrants, mainly French settlers and to a lesser extent Pacific Islanders. The isolation and traditional lifestyle of the Kanaks ensured that little inter-racial marriage took place. Consequently, the Kanaks became a minority which meant they had no prospect of winning power through democratic elections. In view of their economic and political marginalisation it was inevitable that their nationalism would include a pronounced emphasis on ethnicity. This background explains why the FLNKS coalition opted for a campaign of direct action for independence from 1984-88. In contrast to French Polynesia, the natural resource endowment of New Caledonia also gave the nationalists greater confidence in the viability of a future state.

The French socialist government of 1983-86 displayed sympathy for the Kanaks' disadvantaged status and offered some concessions, but it still supported French interests and sovereignty. The FLNKS campaign of demonstrations and electoral boycotts thus continued unabated. The conservative government of 1986-88 adopted a combative policy to suppress the FLNKS, thereby exacerbating the violent confrontation between nationalists and loyalists. The French military presence was increased from 2,000 before 1984 to approximately 8,000 troops by 1987. Troops were stationed near Kanak villages to monitor and intimidate FLNKS activists. The armed conflict peaked in May 1988 when French commandos killed nineteen Kanaks who had taken French military personnel hostage on the island of Ouvea.¹²

It was in this context of crisis that the socialists returned to power and negotiated the tripartite Matignon Accords between the French state, the RPCR and the FLNKS in 1988. The Accords instituted a transitional period of ten years during which the Kanaks would be allowed greater participation in government and the economy, particularly at the provincial level. At the same time the vested interests of the *caldoche* population would be protected. After this cooling off period the territory would be in a position to exercise the right to self-determination in a referendum scheduled for 1998 when it could choose between a status of association with France or outright independence. The agreement constituted a compromise which brought the protracted violent conflict to an end.

¹² Maclellan, 1990, *op.cit.*, pp3-7.

The loyalists in New Caledonia share the views of their counterparts in French Polynesia on maintaining French sovereignty, however, their fears of independence are more acute due to stark ethnic divisions. As most of the immigrant population in New Caledonia are French or their descendants, their cultural ties and primordial identification with metropolitan France are strong. In addition, loyalists are apprehensive about an eventual redistribution of land and wealth from themselves to the Kanaks. Nevertheless, the unity and resolve demonstrated by the FLNKS in the 1980s forced moderate loyalists to acknowledge Kanak grievances and led to the RPCR negotiating the Matignon Accords. Whereas hard-line loyalists feared that Matignon would lead to independence, the moderates believed that it delayed such an outcome for at least ten years. In the meantime they could lobby for another compromise on status which would protect their essential interests. The latter position was ultimately vindicated.

Like their adversaries, the Kanaks were to some extent divided in their response to the Matignon Accords. Hard core militants wanted to continue direct action and, if necessary, violence against the French state. The moderate leadership of Jean-Marie Tjibaou prevailed. He preferred to pursue a non-violent, negotiated settlement with France and the settler community even though this would result in independence being significantly delayed. Moreover, the Matignon Accords offered many concessions to the Kanak community. It committed the French state to land reform and promised increased state expenditure on infrastructure and services in the Kanak areas. Kanaks were to be given greater access to education, training and employment opportunities in the modern economy. Importantly, it provided for three provincial governments with extensive powers. Although the RPCR would retain control over Noumea (and, as it happens, the territorial government) the Northern and Islands provinces were destined to be governed by the Kanaks.

By the mid 1990s an assessment of progress under the Matignon Accords was in order. The nationalist movement had become more divided along personal, regional and ideological lines. Nevertheless there was broad agreement about the failings of the transition period. France had implemented policies to promote economic and political participation by the Kanaks. Yet the program had not succeeded in reducing glaring inequities between the ethnic groups, nor had it produced a marked improvement in the quality of life for most indigenous

people. Rather than increasing New Caledonia's economic autonomy, critics maintain that massive French expenditure has inflated the public sector and thus increased dependence on France. Apart from not promoting sustainable grassroots development, it is held that prestigious big budget projects are not in tune with Kanak customs and environmental concerns.¹³ Major projects also tend to be dominated by French corporate interests. This perspective echoes civil society's critique of French sponsored economic policy in French Polynesia.

Notwithstanding concerns over the lack of progress under the Matignon Accords, a consensus emerged among the mainstream nationalists that a referendum on independence in 1998 would be premature. This shift in outlook stemmed from a heightened awareness of the complex challenges they would face in a post-independence context, in part due to concerns held by the loyalist camp and in part due to the territory's continuing dependence on French financial assistance. (This gradualist, pragmatic approach set a precedent for their nationalist counterparts to follow in Tahiti.) A new compromise was thus negotiated in the 1998 Noumea Accord in which the FLNKS sought firm guarantees for a continuing transitional process towards independence.

Key elements of the Noumea Accord included: constitutional change enabling 'shared sovereignty'; elections in 1999 for new political institutions; an 'irreversible' transfer of powers to New Caledonia; measures to recognize Kanak cultural identity including a statement of reconciliation from France; and a further 15-20 year interregnum before a referendum on self-determination. The new political institutions included a government executive replacing the French High Commissioner and a senate for customary chiefs to be consulted on issues relating to Kanak identity. Only New Caledonian 'citizens' would be allowed to vote in the referendum on the Noumea Accord (held in November 1998) and subsequent elections. France would progressively transfer powers to the new government beginning in January 2000 but would finance government structures during the transition. Shared sovereignty extends to regional and international relations. The new arrangements go much further than the form of autonomy exercised by French Polynesia. Yet in New Caledonia, France has also retained sovereign powers over justice, law and order, defence and currency until after

¹³ S. Henningham, 'The uneasy peace: New Caledonia's Matignon Accords at mid-term', *Pacific Affairs*, vol.66, no.4, Winter 1993.

the final referendum.¹⁴

The Noumea Accord is unique in the history of France's relations with its overseas entities and clearly goes a long way in responding to Kanak nationalist concerns. It could be interpreted as a rapprochement between the FLNKS and the RPCR. However, the experience since the May 1999 elections suggests otherwise. The RPCR won the most votes and, instead of the 'collegiality' in government prescribed by the accord, the RPCR marginalised the FLNKS by retaining all significant portfolios for itself. The FLNKS leader, Roch Wamytan, has since called for vigilance by the international community in monitoring both the letter and the spirit of the Noumea Accord.¹⁵ In April 2001 the President's resignation prompted the election of a new government by congress, but the distribution of power remained the same. By September 2001 the FLNKS saw its membership in the government reduced from 3 to only 2 of the total 11 seats which led the nationalists to question whether they should participate at all in the loyalist dominated government.

New Caledonia is facing similar challenges to French Polynesia with regard to the scope for socioeconomic disparities provoking civil unrest. However, the factor of ethnicity is far more pronounced and hence politicized in New Caledonia. The 1996 census indicated that the Kanaks still constituted only 44 per cent of the population because European immigration continued to outpace the high birthrate of the Kanaks. This trend led the FLNKS to seek and ultimately realize greater territorial control over immigration. The number of Kanaks in local administration has grown but senior management levels and the liberal professions are overwhelmingly dominated by the French. Unless these inequities are ameliorated the potential remains for disadvantaged young Kanaks to become radicalized and resume a militant ethnonationalist campaign.

New Caledonian workers have shown the same disposition as Tahitians (and one could add metropolitan French) for engaging in militant actions to press their demands for better wages and conditions. Ironically, these demands are often to

¹⁴ N. Maclellan, 'The Noumea Accord and decolonisation in New Caledonia', *The Journal of Pacific History*, vol.34, no.3, 1999, pp245-246 and the *Noumea Accord*, signed 5 May 1998, text provided by French Embassy, Canberra.

¹⁵ Maclellan, *ibid*, D. Chappell, 'New Caledonia in Review', *The Contemporary Pacific*, Fall 2000, p518 and Roch Wamytan speaking at the United Nations Fourth Committee, 6 Oct 1999.

seek greater parity with their metropolitan counterparts. Strike actions also have political overtones as they are frequently directed at loyalist owned enterprises. In 1999 there were a series of strikes and demonstrations which paralysed not only elements of private enterprise but also essential services. One of the first major tasks of the new government was to tackle the growing industrial unrest. In August 2000 it introduced a 'social pact' which increased the minimum wage, set out minimum residence requirements for job seekers and imposed measures to mitigate the consequences of strike action.¹⁶ However, widespread strike actions continued to plague New Caledonia in 2001, including violent confrontations that required police intervention.¹⁷

Continuing tensions between the three parties to the Noumea Accord over conceptions of sovereignty were evident in their dispute over the terms for hosting the 14th summit meeting of the Melanesian Spearhead Group (MSG). The FLNKS had long enjoyed membership of this sub-regional forum which champions indigenous self-determination and decolonisation. Due to the advances made under the Noumea Accord and because he was the MSG's incoming chairman, the FLNKS leader Wamytan decided to host the summit. However, France and the RPCR would only allow the summit to proceed on the conditions that the loyalist dominated government be the 'inviting power', that the latter participate in the meeting and that the Kanak nationalist flag not be flown alongside those of the four Melanesian states. Several leading FLNKS members found the conditions unacceptable and boycotted the meeting at which discussions of Kanak self-determination were noticeably absent.¹⁸

French Pacific common outlook

Loyalists and nationalists alike in New Caledonia and French Polynesia are faced with a conundrum. In the short term the only way to diffuse social tensions over inequities and threats to living standards is to raise the minimum wage, extend social security and improve the delivery of essential services. However, this option requires continuing dependence on French transfers to underwrite a

¹⁶ Chappell, *ibid* and *Pacific Islands Report* (PIR), Pacific Islands Development Program/East West Center, Center for Pacific Islands Studies/University of Hawaii at Manoa, <http://pidp.ewc.hawaii.edu/PIReport/>, 20 Aug 2000.

¹⁷ *Pacific News Bulletin*, monthly newsletter of the Pacific Concerns Resource Centre, Suva, Fiji, Jun 2001, p6.

¹⁸ *Ibid*, Jul 2001, p1.

high level of public sector expenditure. In the long term, these socioeconomic problems could be ameliorated by sustainable development projects. But this option too is seen to require massive French financial assistance for the foreseeable future, especially in French Polynesia. Both options are risky due to their excessive reliance on France. Yet the consensus holds that the alternative of demanding the population lower their expectations is fraught with potentially disastrous consequences for government stability and internal security.

This nexus between socioeconomic conditions and internal security is a crucial consideration for both New Caledonia and French Polynesia. While it could be argued that the French Pacific is facing the same form of developmental challenges as the microstates, there is a difference in degree. French policies have contributed to the magnitude of dependence and the complex range of social problems in French Polynesia and New Caledonia. All parties in territorial politics agree that France therefore has a duty not only to maintain internal security in the short term, but also to assist the French Pacific in addressing the root causes of insecurity over the longer term.

While the above analysis suggests some grounds for pessimism over the future in the French Pacific it is important to emphasize that overall trends for internal security have been positive and represent a marked improvement on the 1980s. Nationalists in French Polynesia believed that nuclear testing epitomised French colonial contempt for their rights as the indigenous people. The combined effects of closing down the CEP, reforming the electoral system, increasing impartiality of the French security forces and judiciary, and the inclusion of the Tavini party in dialogue over the territory's future status have left the nationalists better disposed to the French presence. Tavini is also painfully aware that, despite the Maohi constituting a majority, their party has been unable to garner enough votes to take government, much less win a referendum on self-determination. In New Caledonia the Matignon Accords marked a turning point as the Kanaks were included as partners in a dialogue on the territory's future. The agreement also acknowledged the right to self-determination. Yet the nationalists were aware that they did not have the numbers to win a referendum in 1998. The FLNKS preferred to defer the option and wring further concessions out of France.

The nationalists in both territories remain frustrated by loyalist control over

government. Nevertheless, as the leaders of mainstream nationalists in both New Caledonia and French Polynesia are pacifists and democrats they are inclined to accept the outcome at the ballot box and pursue negotiated political settlements with the French state and local loyalists. For the time being they are prepared to wait and see whether statutory changes and economic development programs will deliver positive outcomes for the indigenous people. As a result of more tolerant attitudes on both sides of politics, the French military is no longer obliged to confront or take punitive actions against hostile nationalists as one of their functions. Instead, the security forces have been scaled down and redirected to more constructive tasks. These include building public infrastructure, youth training via adapted military service, search and rescue, fisheries surveillance and disaster relief activities, all of which have bolstered their public image.

The question of responsibility for internal security still poses cause for concern, notably in a post-independence context. Much as the nationalists would like their respective territories to gain full independence, they grudgingly acknowledge the state's role in maintaining law and order in an increasingly impartial fashion. There are legitimate concerns about when, how and against whom the security forces would be deployed should they come under the control of governments in Noumea and Papeete. Similarly, there are concerns over maintaining the integrity and impartiality of the judiciary in a post-independence context. The judiciary is currently dominated by French officials who investigate alleged corruption by local politicians and bureaucrats. This in turn has a bearing on democracy, for without an independent judiciary there is no guarantee of fair play in the conduct of elections. These are all issues that warrant serious consideration in terms of when and how the remaining French powers are eventually devolved.

In the last decade France has reinvented its role in the French Pacific. The state now presents itself as a partner in development, by providing financial assistance and advice but leaving economic planning to local governments. Moreover, France portrays itself as a mediator in conflicts between nationalists and loyalists and between local governments and civil society. As a result of the accords in New Caledonia, and the closure of the CEP in French Polynesia, France can play a more altruistic role in its provision of an independent judiciary

and a disciplined security force. By exercising these powers responsibly France can also uphold its liberal values of democracy and human rights. Most importantly, France defines itself as a partner in the process of ‘emancipation’, the pace and nature of which is to be determined in consultation with the inhabitants of French Polynesia and New Caledonia. These trends serve to legitimise France’s presence in the region for French Pacific citizens and the international community. France has acknowledged, to some extent, the negative impact of its policies on the culture, society and economies of the indigenous people in the French Pacific. Ultimately France’s contribution to security will be measured by its long-term commitment to the welfare of these people, whether they choose to remain French or not.

Pacific regional perspectives

As long as France sees its national interest being furthered by retaining a foothold in the Pacific territories, it has sought to legitimise that presence in the eyes of the region or at least minimise scrutiny and criticism. With this goal in mind France has adopted a multidimensional strategy. Since the late 1980s it has made a concerted effort to portray itself as flexible in responses to territorial demands for greater autonomy and ultimately self-determination. Meanwhile, it has maintained the flow of financial transfers to support local development efforts. France has also begun to support the integration of its territories into regional forums and cooperative ventures. These policies have combined to deflect regional criticism of the French colonial presence. At the same time France has sought to promote an image of itself as a good regional citizen and benefactor to the Pacific microstates. So far it appears to have been relatively successful in winning approval for its approach on all fronts.

The microstates have, since their own accession to statehood, expressed a strong sentiment in favour of self-determination and ultimately independence for the French Pacific territories. They have done this individually, notably within the Melanesian countries, and collectively via the Melanesian Spearhead Group and the Pacific Islands Forum (formerly the South Pacific Forum). This support for independence has not been uniform with respect to the three different territories or over time. The strength of criticism has varied in relation to policies adopted by France towards its territories and in relation to the strength of indigenous nationalist movements. The territory of Wallis and Futuna has rarely rated a

mention largely due to its apparent lack of exploitation by France and the absence of a nationalist movement.

Support for the Kanak nationalist movement reached its heights during the 1980s when the FLNKS broadly represented the indigenous people and had begun to systematically campaign for independence. Regional states were critical of France's efforts to suppress the nationalist movement by militarising the territory. The French strategy was ultimately counter-productive as it both hardened the resolve of the FLNKS and increased regional support for their cause. As a result, in 1986 the Forum successfully lobbied for New Caledonia's reinclusion on the UN Decolonisation Committee's list of non self-governing territories and mounted a series of missions to the territory to monitor progress towards self-government. The 1988 Matignon Accords met with approval from the Forum and led to a marked improvement in relations with France. Since the 1998 Noumea Accord allowed 'shared sovereignty', the Forum granted New Caledonia official observer status at its annual meeting in 1999. Nevertheless, concerns persist among Pacific states over the level of inequality between the Kanaks and non-indigenous communities in New Caledonia.

Despite vociferous regional opposition to French nuclear testing, the Forum has not lobbied for French Polynesia's reinclusion on the UN list and has not lent any other formal support to the nationalist movement's call for independence. There are obvious reasons for this difference in treatment. Unlike New Caledonia, the indigenous Maohi constitute a large majority in French Polynesia. Throughout the last two decades the electorate has consistently returned loyalists to power in Tahiti. The loyalist government has declared itself satisfied with its evolving level of autonomy and the agreed plans with France for a further devolution of powers within the Republic. It has not sought to institute a process towards self-determination; indeed, this is the main ground for differentiation from the opposition. Once French Polynesia accedes to the envisaged status of 'overseas country' within the French Republic the Forum is willing to consider granting official observer status to the Tahitian government.

Another reason for regional criticism of France was that its policies towards the overseas territories did not allow them to actively participate as members of the Pacific community. Governments of the territories have long evinced a desire to

integrate into the life of the region. However, political and economic engagement was strictly controlled for fear that it would impinge on French sovereignty. In 1992 the French Council of Ministers announced a new policy designed to facilitate greater interaction between French overseas departments and territories and their regional neighbours in a spirit of openness and cooperation rather than pursuing exclusive relations between France and its dependencies.¹⁹ France then established universities in Noumea and Papeete, in part to promote greater exchanges with the region but also to project Francophonie. On the economic front, France and its territories have been participating in regional negotiations to establish a convention for the conservation of fisheries. France is also participating with its territories in a regional aviation plan. France has indicated that its territories could be associated with the new regional free trade area. Most important, France has expressed a willingness for New Caledonia and French Polynesia to join the Forum as official observers.

France relies heavily on aid as a strategy for winning hearts and minds in the Pacific. It has dispensed aid on a multilateral basis to regional organisations and on a bilateral basis to select countries. Bilateral aid has been largely humanitarian in nature, including disaster relief, but it has also contained a military component with regard to Fiji and Tonga. It is notable that aid to the region increased markedly on the two occasions when France engaged in ‘charm offensives’ to placate regional critics of its colonial and nuclear testing policies. The first occasion in the late 1980s was an exercise in damage control in the wake of a series of setbacks. In 1985 French agents had bombed the Rainbow Warrior in Auckland harbour provoking regional outrage against state terrorism. In the same year the South Pacific Nuclear Free Zone Treaty was set up to ban French nuclear testing. In 1986 New Caledonia was reinscribed on the UN list while 1988 saw an upsurge in violence in New Caledonia, thus reviving regional critiques of French colonialism. Throughout this period nuclear testing continued to attract regional protests. The second ‘charm offensive’ was in response to a regional furore over the final series of tests held in the southern summer of 1995-96. This latter phase of French largesse has still to run its course.

Before the late 1980’s France had contributed aid to regional states indirectly via

¹⁹ M. Dornoy-Vurobaravu, *Policies and perceptions of France in the South Pacific*, Institute of Pacific Studies, Vanuatu, 1994, p28.

wider European grants, while bilateral aid went to Vanuatu as a former French colony. Thereafter, for the first time, French bilateral aid was selectively targeted towards Fiji and states in Polynesia and Micronesia. These states were perceived as less hostile to the French presence than their Melanesian counterparts and, given their diminutive size, modest allocations of aid could potentially reap diplomatic returns for France. By 1994, France was spending nearly US\$50 million per annum in the Pacific islands outside its own territories. This amount included US\$21million devoted to bilateral and multilateral aid to the island states, a roughly similar amount which was France's 20 per cent contribution to European Union funding to the region, and several million dollars spent on defence cooperation including Exclusive Economic Zone (EEZ) surveillance and disaster relief.²⁰ In 1996, the year it completed its nuclear test program, France engaged in a flurry of cheque-book diplomacy to redeem its regional image. France thus doubled its aid to the Pacific at a time when the UK and the US were reducing their financial commitments.

From its inception the Forum's existence had been anathema to France as in large part it was established to enable collective criticism of France's colonial presence and nuclear tests. It was not until the Forum gave tentative support to the Matignon Accords that France finally ceased to perceive the organization as solely an adversary. In 1992, a few years after it became a post-Forum dialogue partner, France made its first direct contribution of F\$300,000 (approximately US\$130,000) to funding the Forum Secretariat. The next year this amount was doubled, and by 1996 France had become one of the major donors to Forum activities.²¹ France also upgraded its representation to the post-Forum dialogue by sending a minister. France has always supported the operations of the Pacific Community (formerly the South Pacific Commission: SPC) as one of the colonial powers which founded it. France is proud to host the Secretariat in Noumea. In 1997, on the occasion of the SPC's 50th anniversary, France announced an increase in its contribution to the organisation's budget from 15.8 per cent to 19.5 per cent. Combined with other transfers this amounted to a 40 per cent increase in France's financing of SPC programs compared to 1994.²²

²⁰ S. Henningham, *The Pacific Island states – Security and Sovereignty in the post-Cold War World*, Macmillan, London, 1995, p99.

²¹ N. Maclellan, and J. Chesneaux, *France in the South Pacific*, Ocean Press, Melbourne, 1998, p205.

²² J-J. Queyranne, speech by the French Secretary of State for the Overseas Territories, Post-Forum Dialogue, Pohnpei, 27 Aug 1998.

France has highlighted its role as a “leading champion” for the Pacific microstates in the European Union.²³ Notably it supported the quest of six new Pacific countries to gain access to the Africa Caribbean Pacific group (ACP) which receives aid from the EU under the Cotonou Agreement, the successor to the Lome convention. The new agreement was signed on 23 June 2000 and France has contributed 23.7 per cent of the 3.6 billion euros needed to replenish the ninth European Development Fund which now totals 13.5 billion euros.²⁴ Of this sum 11.3 billion will be allocated to the ACP group over a seven year period. Highlights of the new EU/ACP aid package include a focus on poverty reduction, sustainable development, economic and trade cooperation and a more participatory approach to involve civil society.²⁵ The EU agenda closely reflects that of Australia’s recent aid and development policies in the Pacific region and, by extension, that of the Forum.

France has endeavoured to promote a clean green image in the Pacific in response to island concerns about the natural environment. France has pledged active support to the Noumea convention on the protection of natural resources in the Pacific. It also backed the Wellington convention banning drift-net fishing. France recently engaged with Australia in a regional renewable energy program and has been a protagonist in an International Coral Reef Initiative. France set up an environmental monitoring observatory to collect and disseminate data on global warming. It can also take some credit for the EU’s progressive stand that developed countries adhere to binding cuts to greenhouse gas emissions under the Kyoto protocol.²⁶ Yet France is perceived as contributing to regional insecurity with regard to the legacy of nuclear testing because the adequacy of monitoring and clean-up of the test sites is still a cause for concern. In vain French Polynesians have sought recognition and compensation from France for health problems attributed to the nuclear tests.²⁷ Unlike the US and

²³ C. Paul, speech by the French Secretary of State for the Overseas Territories, Post-Forum Dialogue, Tarawa, 31 Oct 2000.

²⁴ French Government, *Journal Officiel*, 1 Jan 2001.

²⁵ *Cotonou Agreement*, signed on 23 Jun 2000, <http://europa.eu.int/comm/development/cotonou>.

²⁶ C. Josselin, speech by the Minister delegate with responsibility for cooperation and Francophonie, Post-Forum Dialogue, Koror, 7 Oct 1999 and Paul, op.cit.

²⁷ M-H. Aubert, & M. Rivasi, (eds), *The French nuclear tests in Polynesia: Demanding the truth and proposals for the future*, proceedings of the symposium, France, 20 Feb 1999 and P. de Vries & H. Seur, *Moruroa and Us – Polynesian experiences*, Centre de documentation et de recherche sur la paix et les conflits, Lyon, 1997.

the British in the Pacific, France has acknowledged no liability towards victims of its nuclear test fallout. In addition, continuing plutonium shipments between France and Japan are considered by microstates to be a major threat to regional fisheries and tourism, but the countries involved refuse to acknowledge liability in the event of an accident.

Another dimension of French involvement in the region is defence cooperation. The Fiji coups in 1987 provided France with an opportunity to consolidate its influence in a country serving as a hub for regional transport and intergovernmental agencies. Whereas Australia and NZ imposed sanctions on the military regime, France refrained from critical comment and continued naval cooperation in 1987. A year later France increased bilateral aid to Fiji to over A\$16 million. In 1989 Michel Rocard paid a visit to Fiji, the first such visit by a French Prime Minister.²⁸ Following the signing of a Memorandum of Understanding (MOU) in 1993 Fijian soldiers traveled to New Caledonia every year for military exercises and training. These moves by France to cultivate influence with an undemocratic regime cannot be construed as a positive contribution to regional security. After the 2000 coup, however, France chose to suspend defence cooperation with Fiji in keeping with its new emphasis on democracy and in line with Australian and New Zealand policy.

France has also engaged in defence cooperation with Tonga. Since 1995 Tongan soldiers have trained in New Caledonia while Tongan and French forces participate in joint military exercises every year both on land and at sea. This cooperation was extended under a MOU in 2000.²⁹ Tonga is governed by a constitutional monarchy in which the nobility dominates the Parliament and the commoners may only vote for a minority of seats. Given that Tonga faces no conceivable external threat the military force could be training to deal with internal threats, notably from the opposition democracy movement. Under these circumstances French military cooperation may be furthering the security of the Tongan state but not necessarily that of its citizens. Similarly, France's participation in military exercises has often featured scenarios involving interventions in Pacific Island conflicts with a view to safeguarding French national interests

²⁸ Maclellan, 1990, op.cit, p22 and Henningham, 1995, op.cit, p99.

²⁹ *Pacific News Bulletin* op.cit, Mar 2000, p15.

rather than assisting the indigenous population.³⁰ Regional non-governmental organizations, in particular, have expressed concern about the extent and nature of France's contribution to militarization in the Pacific.

In other respects, French military forces have played a constructive role in the region. In 1992 the Forum finalised a treaty for cooperation in fisheries surveillance and France was encouraged to participate in the initiative. In 1993 France, Australia and New Zealand agreed to share responsibility for surveillance of the exclusive economic zones of Pacific Island states which requested assistance. French air and naval forces stationed in New Caledonia and French Polynesia undertook to monitor the EEZs of the Cook Islands, Fiji and Vanuatu. In 1992 France signed the FRANZ agreement with Australia and New Zealand to coordinate emergency relief to affected Pacific Island states in the event of natural disasters such as cyclones, earthquakes and tsunamis. The main operations in the 1990s were to aid victims of El Nino induced droughts and tsunamis, notably in Tonga, Vanuatu and PNG. Once again France's effort was coordinated and undertaken by military forces based in the French Pacific.³¹ Moreover, forces from New Caledonia were dispatched to the INTERFET peacekeeping operation in East Timor which France undertook as 'a duty of solidarity as a Pacific power'.³²

Australia does not share the microstate enthusiasm for rapid decolonisation of the remaining Pacific colonies, though it is well aware of the sensitivities of other Forum members. While there was a brief but intense diplomatic rift between Australia and France over the last series of nuclear tests, this was largely driven by Australian public opinion. The Australian government generally views France as a liberal democratic state and member of the Western security community which shares core values. Similarly, Australia views France as a like-minded donor country and they have engaged in increasing cooperation on regional aid policies. In recent years there has also been an increase in combined military exercises between France, Australia and NZ. In particular, Australia appreciates that France is responsible for overseeing the development

³⁰ For example, note the scenarios for military exercises in New Caledonia simulating a response to Pacific unrest, including one in October 1999 to evacuate French citizens and another in August 2000 to protect European interests.

³¹ Queyranne, 2000, *op.cit.*

³² Josselin, *op.cit.*

and internal security of its territories and that any transition to independence will be guided by France. Australia, like the French Pacific territories, is hopeful that even in a post-independence context there will be continuing French commitment to the welfare of its former territories. Australia would be most concerned about the prospect of assuming responsibility for not only development, but also internal security considerations, in the French Pacific. Australia is already struggling to manage regional diplomacy, aid and peacekeeping tasks, notably with respect to Papua New Guinea, East Timor, Fiji and the Solomon Islands.

The cumulative effect of French strategies to win friends and influence in the Pacific in the 1990s has been largely successful. By devolving powers to the territories in consultation with local stakeholders, mediating conflicts and allowing for the prospect of self-determination, France has won credit in the regional community. France has provided its territories with the financial wherewithal to maintain services and pursue economic development though it has failed to eliminate indigenous disadvantage. France has allowed territorial integration into the regional community, albeit with some conditions. In the last decade France's role has been more constructive since it increased bilateral aid to several countries, lent support to regional institutions and participated in disaster relief. Nevertheless, France's desire to be accepted as a bona fide member of the Pacific community is unlikely to be realised. Pacific microstates are more than willing to welcome France as an external aid donor but they remain committed to complete decolonisation of their region.

Future French engagement in the Pacific

The above analysis confirms that France still believes its security and broader foreign policy objectives to be served by a continuing presence in the Pacific region. This raises the question of whether contemporary French interests require it to maintain sovereignty over these territories or whether its objectives could be secured just as well in a post-independence context. However, the key concern for inhabitants of the Pacific territories is not just over their ultimate political status but also over the level of French engagement. This is also of paramount concern for the Pacific community as disengagement by France, particularly if it were abrupt, could have catastrophic consequences for security in the French Pacific with flow-on effects for the region.

From a domestic perspective it could be argued that France may experience donor fatigue with its territories in the same way that other donors do with microstates. In the Pacific there has been a succession of metropolitan powers which have become disillusioned about the outcomes of financial transfers to the Pacific. Partly as a result of cynicism over aid, but mainly due to changing strategic perceptions since the Cold War, the US has progressively disengaged from the region. For France, the overwhelming economic dependence of the territories served a useful function in the nuclear testing era in so far as there was unlikely to be a serious nationalist threat to its strategic operations. Since the CEP era ended France has had reason to cast a more critical eye on its expenditure.

Conversely, for the reasons given earlier relating to its global ambitions, France appears inclined to continue supporting its overseas entities. While it may have been weighing up the merits of this financial outlay in the mid-1990s when the French economy was in difficulties, since then there has been a dramatic recovery on the economic front. In 2001 the budget for overseas France is 6.8 billion French francs (US\$ 890 million) an increase of 7 per cent over the previous year. However, the Minister for Overseas France states that the total sum, including contributions from other ministries, was in the order of 61 billion French francs, a 33 per cent increase compared to 1997.³³ France's overall financial contribution to the French Pacific territories alone in 1999 was US\$716.4 million which translates into \$1,588 per capita.³⁴

Statutory changes allowing for a consistent devolution of powers to New Caledonia and French Polynesia in the past decade suggest that France is no longer wedded to the notion of maintaining absolute sovereignty over its territories. Indeed, in the 1998 Noumea Accord France explicitly allowed for 'shared sovereignty' in the period leading up to a referendum on self-determination. French Polynesia has negotiated the right to assume the status of *pays d'outre-mer* (POM) or overseas country within the Republic, though this awaits a Constitutional amendment by a joint sitting of the French parliament. Earlier perceptions that France was intent on maintaining sovereignty over the French

³³ *Pacific Islands Report*, op.cit, 17 Nov 2000.

³⁴ AusAid, *Aid flows to Pacific Island countries and territories in 1999*, provided on request by the Canberra office in May 2001.

Pacific in order to exploit the vast resources of their EEZs have been con-founded by the fact that France has devolved control over the territorial EEZs in recent agreements. Despite all these advances in autonomy, France has in both cases retained its *regalien* powers over defence, justice, law and order, currency and ultimate control in foreign affairs.

French aid is welcomed by the microstates while the end of nuclear testing and the devolution of powers to the French Pacific territories have satisfied the regional community for the time being. In both territories France has met demands for greater autonomy and appears receptive to the longer term option of moving towards independence. Notwithstanding this progress, the Forum and the UN are maintaining scrutiny over France's conduct in upholding its commitments. The UN passed a resolution in 1999 deploring the practice by France and other administering powers of stationing military forces in non-self-governing territories, particularly in the small islands of the Pacific.³⁵ While in March 2001 the UN Secretary General reiterated a longstanding request for the remaining administering powers in the Pacific to grant independence to their territories.³⁶ Indigenous self-determination is still regarded as the desired outcome by the regional and international communities.

In view of international pressure and its own desire to champion just causes in the developing world, France must be considering options for securing its interests in the event that its Pacific territories choose independence. US policy in the former UN Trust Territories of Micronesia poses an interesting precedent. By way of the Compacts of Free Association the US allowed the territories to gain independence while at the same time retaining its prerogative of strategic denial and the right to maintain a long-term military presence. Arguably this option could fulfill France's own security objectives in a post-independence context, while France's global ambitions may keep it engaged in promoting broader Pacific Island conceptions of security.

³⁵ United Nations, resolution by the Fourth Committee acting on decolonization issues, press release GA/SPD/161, 8 Oct 1999. France voted against this resolution.

³⁶ *Pacific Islands Report*, op.cit, 28 Mar 2001.

Pacific Island States and Japan in the Global Context: Democracy, Foreign Aid and Economic Development

By Tanaka Yoshiaki

Paradise Lost

Long-cherished idyllic images of Pacific islands have been severely shaken over the last few years. The South Pacific region has become considerably unstable due to the incessant eruption of political violence. What once appeared to be a region of Westminster-style constitutional democracies inherited from the colonial powers has suddenly come to resemble the numberless “failed states” of Africa.

The recent wave of political turbulence in the region was triggered by Papua New Guinea (PNG) in 1997. Since 1988 a secessionist movement had gained momentum in the copper-rich island of Bougainville and the government in Port Moresby had fought a military insurrection by secessionist guerrillas. To suppress the revolt Prime Minister Julius Chan secretly contracted to bring in mercenaries from a well-known company, Executive Outcomes of South Africa, in January 1997. However, the commander of the nation’s Defense Force forestalled the Premier’s plan and forced Chan to step down and have the mercenaries sent home. The incident left a harmful precedent of an African style of mercenary business being introduced into the region for the first time and, above all, civilian control of the military was seriously transgressed.

In May and June 2000, armed groups successively staged coups in Fiji and the Solomon Islands. In Fiji, rebels took the prime minister and his cabinet members hostage, seized the government and repealed the constitution. The unrest was obviously fueled by ethnic animosity between native Fijians (about 51% of the total population) and immigrant Indians (about 44%). George Speight, the leader and a native businessman, attempted to establish a new interim government, but was himself arrested by the armed forces which predominantly remained loyal to the concept of constitutional government, but which imposed martial law for a period. The crisis in the Solomon Islands was a carbon copy of the Fijian coup. As well Solomon Islands experienced ethnic tensions between the indigenous population and immigrant Malaitans on Guadalcanal island.

Other parts in the Pacific region are by no means free from political unrest. In the Indonesian province of Irian Jaya an independence movement appears to be gaining momentum following the political chaos in Jakarta. Although East Timor appears to be on track to achieve full independence after elections in August 2001, a massive amount of foreign assistance, reportedly more than US\$90 million, might be required for its nation-building. In New Caledonia, the indigenous Kanak independence movement continues to direct demands to Paris.

With the end of the Cold War, the nucleus of security has undergone radical transformations. Most conflicts are taking place in poor countries and most are civil wars - more than 85 percent of all conflicts broke out within state borders in the ten-year period between 1987-1997.¹ In fact, traditional interstate conflicts exemplified by the Iran-Iraq War type have mostly been replaced by intrastate conflicts such as civil wars, coups d'état, and riots caused by ethnic animosity, economic disparities and poverty.

Until now, we have been accustomed to observing security threats predominantly from the outside. Certainly, during the Cold War era, the Soviet's "advance" into the South Pacific in the form of fishery agreements with Kiribati and Vanuatu in the mid 1980s, for example, were perceived as security threats from outside. Vanuatu, under Prime Minister Walter Lini, the only member of the Non-Aligned Movement in the South Pacific, maintained diplomatic relations with Socialist countries such as Cuba, North Korea, Vietnam, and Libya. Furthermore, activities by Soviet fishing boats in the region were interpreted as information-gathering on American missile testing and the tracking and monitoring of U. satellites.²

However, the situation surrounding "security" has been radically changed since the end of the Cold War. Now in the post-Cold War World, threats derive predominantly from within rather than from outside. With concerns for military security relatively receding into the background, there is a growing recognition that so - called "human security" has been seriously threatened. Nowadays,

¹ World Bank, *World Development Report 2000/2001: Attacking Poverty*, Washington: World Bank, p.11.

² John Dorrance, "The Soviet Union and the Pacific Islands", *Asian Survey*, Vol. XXVII, No.9, September 1990, and Tanaka Yoshiaki, *Enjo Toiu Gaiko Senryaku* (Aid as Diplomatic Strategy) (*Asahi Sensho* 536) *Asahi Shimbun*, 1995.

poverty, unemployment, ethnic tensions and the like, instead of nuclear weapons, are mainly responsible for the current conflicts and strife.³ This is as true in the South Pacific as it is in other areas of the world.

“Failed States” Syndrome

The report “The Coming Anarchy”, drew tremendous attention from the American public.⁴ It was an apocalyptic eschatology on hopeless situations in West Africa where something like the Hobbesian “anarchy” prevails as a breakdown of order, the spread of AIDS, the erosion of state borders, the withering away of central governments, ethnic conflicts, refugee migrations, rampant private armies, unprovoked crime and population explosion have all occurred more or less simultaneously.

In recent years, we have seen a number of common features between the Pacific region and Africa in terms of political developments. In fact Reilly, in his provocative article, regards the recent unstable situations in the region as the “Africanisation of the South Pacific”.⁵ Reilly identifies the following four interrelated phenomena with “Africanisation” factors:⁶

- 1) The growing tensions between civil regimes and military forces
- 2) Rivalries among ethnic groups for precious natural resources
- 3) The weakness of basic institutions of governance such as premiers, parliaments and political parties
- 4) The increasing centrality of the state as a means of accessing and controlling resources.

The recent revolts in PNG, Fiji and the Solomon Islands mentioned earlier more or less hold these factors in common with difference in degrees. Why are these “failed states” born one after another in the Third World in recent years? Jackson, a Canadian Political Scientist, traces the causes of “failed states” syndrome back to a concept of “quasi-state”. According to Jackson, these states, unlike more mature powers, are externally and formally independent but internally lacking in capabilities of self-government. Therefore, they are by no

³ UNDP, *Human Development Report 1994*, Oxford: Oxford University Press, 1994.

⁴ Robert Kaplan, “The Coming Anarchy”, *Atlantic Monthly*, February 1994.

⁵ Ben Reilly, “The Africanisation of the South Pacific”, *Australian Journal of International Affairs*, Vol.54, No.3, 2000.

⁶ *Ibid.*, pp. 262-263.

means a “full-scale” state, but could be labeled a “quasi-state”.⁷

Development breeds democracy or the other way around ?

In view of these political developments in the Third World, there emerged a notion in the 1960s that poverty triggers political violence and unrest. When President Kennedy proposed the Foreign Assistance Act of 1961 to Congress, he asserted that poverty destroys political and social structures, and necessarily induces totalitarianism into unstable areas. Since poverty has been regarded as a hotbed for revolution and violence, it was thought that economic development could realize poverty eradication and equality, providing a base on which constitutional democracy could eventually be brought about through popular political participation.⁸

Following this idea, the Kennedy administration launched a program of “social engineering” to restructure developing countries by means of foreign assistance. Washington’s Alliance for Progress aid program toward Latin America was an experiment to attain economic and social progress, thereby preventing (it was hoped) the appearance of a “second Cuba”. However, the relationship between economic development and democracy is more complex than it appears.

As evidenced by the rampant authoritarian rules in the Western Hemisphere in the 1960s and 1970s, economic development does not necessarily guarantee constitutional democracy, at least in the short-term. Clearly, economies have thrived without moving to democracy. In Asia, the success stories of South Korea, Taiwan and Singapore for example, confirmed an Asian model of development whereby untrammelled democracy was set aside for a while and economic development concentrated on.

Since the 1980s however, the credibility of the model has been questioned by the middle class that has emerged from economic prosperity and that has no longer been satisfied with prosperity under authoritarian rules. In the Philippines, “people’s power” toppled the Marcos regime in 1986 and in South Korea a civilian politician was elected President in 1992 for the first time in thirty years.

⁷ Robert H. Jackson, *Quasi-states: Sovereignty, International Relations and the Third World*, Cambridge: Cambridge University Press, 1990.

⁸ This liberal approach is called the “Charles River Approach”. See details in Robert A. Packenham, *Liberal America and the Third World*, Princeton: Princeton University Press, 1973.

In the long-term, economic progress finally removed the conditions that had thus far justified authoritarian rules.

Countering the traditional thinking mentioned above, a new view appeared in official Western circles in the late 1970s. It claims that democratic governance is not an outcome or consequence of development, as assumed by the old modernization theorists, but rather a necessary condition for development. This is the reversal of the orthodox view on the development-democracy relationship.⁹

This is the neo-liberalist approach. It emphasizes markets, deregulation, privatization, competition and entrepreneurship. It argues that poor economic performances in the Third World and Eastern Europe have been the direct consequence of political factors such as authoritarian rule, nondemocratic practice and government intervention in markets. Therefore, political liberalization through democratization is regarded as a necessary condition for economic development.¹⁰ Pushing the arguments further, the Heritage Foundation claims that foreign aid is rather an impediment to development by enabling corrupt and incompetent governments of developing countries to survive. It concludes that it is not aid, but political and economic freedom that brings prosperity.¹¹

Democracy, Foreign Aid and Japan

The prevalence of this neo-liberalism has been reflected in the formulation and execution of aid policies of advanced donor countries as well as international organizations such as the IMF and World Bank. In extending policy-based lending, for example, the latter two organs in their “structural adjustment” program have imposed on developing countries various conditionalities such as market liberalization, the streamlining of bureaucratic machinery, adjustments of foreign exchange rates, and reductions in government budgets. However, the adjustment program has failed to achieve fruitful results in developing countries, especially in Africa, not for economic but rather for political reasons such as corrupt government officials, lack of political leadership, insufficient policy coordination, deficiency of political accountability and rampant political infighting.

⁹ Adrian Leftwich, ed., *Democracy and Development*, Cambridge, U.K.: Polity Press, 1996.

¹⁰ *Ibid.*, pp. 13-14.

¹¹ Heritage Foundation, *1995 Index of Economic Freedom*, Washington: Heritage Publications, 1995.

Against this background, a new type of “political” conditionality in the forms of “democratization”, “human rights”, and “good governance” has been emphasized by Western and developed donors (including Japan) since the end of the Cold War. The essence of this conditionality is to employ aid for introducing political reforms in developing countries. More specifically, whether or not foreign aid is provided by donors is conditioned on whether recipients take political moves in the direction the donor desires or abhors.¹²

With regard to this point, the evolution of Japan’s aid policy in the 1990s deserves attention. In April 1991, Premier Kaifu introduced Japan’s new aid policy in response to the Gulf War, caused by Iraq and to which Japan has been the top-donor for many years. Japan’s massive aid had made Iraq a military monster, allowing Baghdad to take full advantage of aid for development, while saving its budget for military buildup. Re-examining the Iraq case, the Kaifu administration decided that due considerations should be paid to the following aspects of recipient countries’ political economies when deciding on Official Development Assistance (ODA):

- 1) Military expenditures
- 2) Development and the manufacturing of weapons of mass destruction
- 3) Arms imports and exports
- 4) Promotion of democratization, introduction of market-oriented economy and respect for human rights and freedom.

Briefly, Tokyo would suspend its aid if it found undesirable trends and violations on the recipient side. These four principles were incorporated into the ODA Charter in June 1992. Thus far, Japan has undertaken various measures to support democratization efforts in developing countries. There are two types of measures, positive and negative. The positive measures include, for example: technical support in elections in countries such as South Africa, Haiti and Guinea; the holding of seminars on Good Governance; and cooperation for lawmaking in Vietnam and Mongolia. Negative measures include the suspension of aid in cases where recipients violate the ODA Charter. For example, Tokyo suspended ODA on the grounds of a coup d’etat in Haiti and police brutality in Togo respectively in the early 1990s.

¹² Yasutami Shimomura et al., *ODA Taiko no Seijikeizaigaku* (Political-Economy of ODA Charter), Tokyo: Yuhikaku, 1999, p.2.

In spite of such decisive measures by Tokyo, there is an inconsistency in executing the aid policy. Simply, there are double-standards in its applying the ODA Charter. Japan's reaction to the Tiananmen Square Incident in June 1989 formed a striking contrast to the Haiti case. While the USA and European countries severely criticized China and immediately imposed tough economic sanctions on Peking, including the suspension of aid, Japanese response was quite moderate. Since Japan is still caught in the "trauma of the war of aggression" against China, the government has been hesitant to criticize the incident due to its moral indebtedness to China. In addition, Japan's economic assistance to China has been regarded as a kind of compensation for war reparation which China voluntarily abandoned and therefore Tokyo has faltered in suspending aid. Facing the mounting criticism inside and outside the country, Tokyo has finally been forced to stop new aid projects, while leaving on-going projects intact.

Japan's Aid to Pacific Island States

Foreign aid has played a crucial role in Japan's foreign relations with the Pacific island states. In terms of volume of foreign aid toward island states (Table 1), Japan comes after France, Australia and the United States in recent years. However, most French aid has been directed to her own *territoires d'outre-mer* such as French Polynesia and New Caledonia, leaving aid to other Pacific Island Countries (PICs) as some 1.3% of the total aid to the Pacific. Obviously, the French aid to its *territoires d'outre-mer* serves as maintenance costs for the colonies and therefore it deviates from OECD's definition of ODA.

Table 1: Major Donors' Bilateral Aid to the Pacific Region

(Amount disbursed, US\$million)

| Country | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|-----------|---------|--------|---------|---------|---------|---------|
| France | 737.5 | 780.7 | 897.1 | 836.5 | 712.6 | 765.8 |
| Australia | 295.8 | 322.6 | 331.0 | 336.3 | 313.1 | 332.1 |
| US | 181.0 | 337.0 | 221.0 | 231.0 | 151.0 | 184.5 |
| Japan | 138.5 | 127.7 | 159.9 | 197.7 | 159.1 | 147.2 |
| NZ | 53.0 | 55.8 | 70.0 | 69.9 | 71.7 | 64.7 |
| UK | 53.0 | 55.8 | 70.0 | 69.9 | 71.7 | 64.7 |
| Total | 1,424.2 | 1666.0 | 1,710.8 | 1,698.3 | 1,433.0 | 1,525.7 |

Source: Japan's Ministry of Foreign Affairs, *ODA Hakusho 2000*, second volume, page 840.

In the case of Australia, Canberra provides extensive financial support to Papua New Guinea, accounting for 72.9% of the 1997 total. Likewise, the United States extends massive assistance to the three former US-held Trust Territories and currently Freely Associated states (Federated States of Micronesia, Republic of the Marshall Islands and Palau) leaving only 7.3% of its total directed to other Pacific islands.

Compared with these three countries, Japan is quite evenhanded. In a sense, Japan is now the de facto top-donor in the Pacific region. In 1998, the total volume of Japan's ODA toward the Pacific region was US\$147.2 million. This accounted for only 1.7% of Japan's bilateral ODA total, but ODA per capita is highest in these Pacific island states. This is because all but PNG are micro-states with populations of under a million. The Pacific island states received US\$22.70 per capita in 1997, compared with US\$0.47 in China, US\$2.40 in Indonesia and US\$7.70 in Thailand, Japan's three largest ODA recipients. However, this does not necessarily mean that the island states have been given a favorable treatment, but rather reflects the reverse biases in the allocation of foreign aid - the more population, the less aid per capita.

With respect to democracy-foreign aid relationships, the Pacific island states are unique. In view of Japan's application of the conditions of the ODA Charter in the past, all but the South Pacific region have been penalized for noncompliance of conditionality. According to Shimomura's study, there have been 91 cases during the period between September 1991 and October 1998 in which the Japanese government has employed various forms of conditionality.¹³ The largest number of cases have been aid suspension on the grounds of nondemocratic practice such as coups d'état and human rights violations. Zaire (Democratic Republic of the Congo), Haiti, Togo, Sierra Leone, Guatemala, Gambia, Nigeria and Rwanda are included in this category. Also India and Pakistan have received diplomatic protests for their nuclear testing programs, while Myanmar has received an overture from the Japanese Premier promoting democratization and improvements in the country's human rights situation. Despite a popular image of the country as an "economic animal", Japan has been quite sensitive to political developments in the Third World and has exercised the ODA Charter cautiously, but rather rigidly.

¹³ Ibid., pp.114-116.

Compared with these cases, it is quite peculiar that there has thus far been no instance of employed conditionality in the South Pacific region. In fact, there were no diplomatic moves from Tokyo on the Sandline affair in Papua New Guinea in March 1997. In the case of the coups in Fiji and the Solomon Islands in May and June 2000, Tokyo's stance also seemed rather lukewarm. When 11 leaders of Pacific Island countries visited Tokyo to attend the funeral of the late Premier Obuchi in June 2000, Premier Mori stated in his meeting with them that Japan expected Fiji and Solomon Islands to show a path to the early recovery of democratic rule. However, his speech appeared to be just a formality. In their turn, the Pacific leaders, concerned about any possible imposition of economic sanctions by aid donors, insisted that "this is a problem that only the countries concerned could solve" and that "patience is needed for this problem". They called on Japan for "deliberate treatment of the problem".¹⁴

During the 2000 coup in Fiji, Japanese aid staff were evacuated temporarily and therefore aid activities were virtually stopped. However, the Japanese government has not taken any sanction measures against Fiji or Solomon Islands. Far from that, Japan even became the first country to offer diplomatic recognition to the new Fijian government after the coup.

There are a number of factors underlying Tokyo's benign diplomatic stance toward the Pacific island states. One reason is that from both diplomatic and geopolitical viewpoints PNG and Fiji especially are crucial for Japan's foreign policy toward the South Pacific region. This necessitates special considerations in actual aid policy deliberation and execution. For example, PNG is a resource-rich country with the largest landmass and has great development potentials. In fact, PNG's 1997 GNP of \$4185 million based on the export of mineral resources and plantation agriculture is 55 times larger than that of Kiribati, 24 times that of Tonga, 21 times that of Samoa and even double that of Fiji.¹⁵ In view of its pivotal location in the region, Fiji is also a crucial country for Tokyo. Since former leader Kamisese Mara made "The Pacific Way" speech in 1970, Fiji has served as a center of regional solidarity movements and the Pacific

¹⁴ *Asahi Shimbun*, Morning edition, June 2000.

¹⁵ Since PNG is an exceptional country in the region which does not necessarily fit into the category of ordinary island economies, it is placed administratively in charge of the Fifth division of the World Bank together with Indonesia, Malaysia and the Philippines. See Izumi Kobayashi, *Taiheiyō Toshoshokoku Ron* (Studies for Pacific Island Countries), Tokyo: Toshindo, 1994, p.197.

Island Forum secretariat is located in Suva. For these reasons, PNG and Fiji have not been required to meet the conditions of the ODA Charter and given a top-priority in Japan’s foreign assistance toward the region, as shown in Table 2:

Table 2: Japan’s 1999 ODA Allocation by Country

(Amount disbursed, US \$million)

| | | | | | |
|--------------|-------|-------|-------|--------------|---------------|
| Cook Islands | 0.48 | Nauru | 4.45 | Solomon Is | 9.85 |
| Fiji | 20.87 | Palau | 12.11 | Tonga | 5.53 |
| Kiribati | 12.08 | PNG | 37.14 | Tuvalu | 0.56 |
| Marshall Is | 9.23 | Samoa | 8.58 | Vanuatu | 5.15 |
| Micronesia | 6.77 | | | Total | 138.23 |

Source: Japan’s Ministry of Foreign Affairs, ODA Hakusho 2000, second volume, page 841.

Through these examples, the following tendency in Japan’s execution of the ODA Charter may be observed: if an aid recipient is geographically far from Japan and is less crucial for its national and strategic interests, then Tokyo is likely to apply the Charter in a very rigid manner. On the contrary, if a recipient is relatively close to and crucial for Tokyo, then the application of the aid doctrine is likely to be very cautious and sometimes waived for political and diplomatic reasons. Obviously, the Haiti and Togo cases mentioned above were the former instance, while the Chinese case and Tokyo’s response to PNG, Fiji and Solomon Islands have been the latter one.

Such a tendency in applying aid conditionalities has not necessarily been limited to Japan. Despite this, the double-standard with regard to Japan’s contrasting treatment of Haiti and Pacific cases has certainly left room for diplomatic criticism. However, as long as aid serves as one of the few foreign policy tools available for Tokyo, diplomatic judgments in weighing various interests are unavoidable. What is important is for Tokyo to keep maintaining two tracks - a “dialogue approach” which, in parallel with a “norm-imposing approach”, attempts to improve situations through persistent communications with the governments concerned.

Other major recipients of Japan’s ODA in the Pacific are Samoa, Palau and Solomon Islands. In 1998, each of these states has received more than \$10 million and of them, Solomon Islands has been provided increasing amounts of

aid in recent years to assist the government's economic structural reform for its debt problem.

These countries are followed by much smaller island countries such as Vanuatu, Kiribati, Tuvalu, Nauru, Marshall Islands, and Micronesia. Because of extreme development constraints they are even now heavily dependent on foreign assistance as well as on overseas remittances. Japan's ODA to these six island states was merely US\$38.24 million in 1999. The amounts are almost negligible to Japan, but the states are quite important for Japan from the viewpoint of "food security". That is, Japan, dependent upon imports for one third of its domestic fish consumption, has been concluding fishing agreements with a number of Pacific island states including these islands and paying significant fees for fishing rights.¹⁶ In order to maintain friendly relations with these states, Japan has extended to them the so-called "*Suisan Musho Enjo*" (Fishery Grant Aid) for promoting fishing industries in the forms of education for fisherman, construction of fishing ports, sending of Japanese fishing experts, construction of fish markets, fishing village development, and construction of research/training boats for tuna fishing.

It seems axiomatic that democratic rule should be realized primarily through internal developments, not by external forces. Therefore, it might seem to be inappropriate to have foreign aid bear the burden of serving as an agent of political change. However, this does not necessarily mean that we should be an idle spectator of political evolutions in the Pacific region. On the contrary, we should keep a patient eye on indigenous democratic processes unfolding in the region. In that process, we are willing to offer helping hands in the form of economic assistance, if requested. Japan's aid for "infrastructure development" such as construction of roads, airports, schools and hospitals as well as "*Suisan Musho Enjo*" would help provide material conditions for thriving democracy in the long-term.

¹⁶ According to Ministry of Agriculture, Forestry and Fishery, the rate of self-sufficiency of fishes has plunged from 109% in 1965 to 66% in 1998, making one third of domestic consumption dependent upon imports. For example, roughly half of the tuna and bonito consumed in Japan come from the Pacific region. For an analysis of the Japanese fishery, see *Nourin Toukei Kyokai, Shokuryo, Nogyo, Noson Hakusho* (White Paper on Food, Agriculture and Fisheries: 1999) pp. 51-55.

Tasks Ahead

The Pacific island states are characterized by smallness and insularity which distinguish them from many other developing countries. Poor resource endowments, remoteness from markets, proneness to natural disasters and shortages of trained manpower have handicapped their development. Although they share similar constraints for their development, there can be identified differences in terms of current stages of economic and social development, endowments of natural resources and size of population. Therefore, we might make the mistake of ignoring their diversities, if we would grossly generalize them as simply insular and small countries.

Their diversity is crucial in assessing their development potentials and examining the future direction of development. Therefore, we had better establish a mid-long-term cooperation policy responding to the conditions within each island state. In Table 3 I attempt to categorize island states according to their economic characteristics and their future potential for development.¹⁷

Table 3: Categorization of Pacific Island States

| Type | Country | Economic Characteristics | Development Potentials |
|--------------|------------------------------|---|--|
| Advanced | Fiji | Sophisticated economy based on sugar cane industry and tourism | Expected diversification of industries and fishery exports |
| Self-reliant | Solomon Is Vanuatu PNG | Developing fishery and agriculture, low population pressure against resources | Untapped rich agricultural, fishery and mineral resources |
| Microstates | Kiribati Tuvalu Nauru | Infertile soils for agriculture, dependence on imported foods | Fragile resource base, limits on diversifying industries |
| Subsistence | Samoa Tonga | Aiming at subsistence and export oriented agriculture, bottleneck on land ownership | Potentials for subsistence economies based on agriculture and forestry |

¹⁷ This categorization is mostly based on International Development Center of Japan, *Minami Taiheiyo Chiiki no Tosho Kokka ni taisuru Wagakuni no Keizaikyoryoku* (Japan's Economic Cooperation toward Island States in the South Pacific Region), Research commissioned by Ministry of Foreign Affairs, Japanese Government, Tokyo: International Development Center of Japan, 1984, pp.331-337.

With regard to their aid needs, each type of country differs greatly. In view of its relatively high income standard (\$2,210 per capita GNP in 1999) and well developed infrastructure, economic cooperation toward Fiji will be centered on resources from the private sector rather than ODA. Solomon Islands and Vanuatu have strong demands for technical cooperation in the fields of agriculture and forestry, and for infrastructure development related to fishery and transportation. As for the Solomon Islands, further assistance would be needed for supporting the Government's economic structural reform for solving the debt problem.

For the microstates, a new aid formula should be examined, replacing the traditional project-aid. In view of the extremely limited financial viability of this type of country, further utilization of "trust fund" cooperation should be considered for budgetary support as exemplified by the existing Tuvalu Trust Fund. The subsistence countries, Samoa and Tonga, have medium and long-term aid needs for developing and modernizing a self-reliant agricultural sector. Also assistance for human-resource development such as education and job-training would be needed in the forms of accepting trainees and sending experts and Overseas Volunteers in light of the growing size of the younger generation in the total population.

Clearly, in the future, Japan will continue to target, for it, modest amounts of aid to the Pacific region. Its intention will be to make maximum impact with its money to ensure continuing access to resources, most importantly to the fisheries.

Australia and the Security of the South Pacific

By Jim Rolfe

Australia has been intimately involved with the South Pacific since before federation (indeed, one clause in the 1901 Federal Constitution gives the Commonwealth Parliament responsibility for the 'relations of the Commonwealth with the islands of the Pacific').¹ In the last 50 years Australia has supported the development of individual island states as they have gained independence and the growth of South Pacific (sub-) regionalism firstly through its membership of the South Pacific Commission (now the Pacific Community) and subsequently through active support of the Pacific Islands Forum (originally the South Pacific Forum) and the range of regional institutions formed in the last 30 years.

Australia's support for Pacific Island states and for South Pacific regionalism has been firmly based on the premise that Australia is better served if the region is as independent in economic and political terms as possible than if it is dependent. Independent states and independent economies are more secure, so the argument goes, than dependent ones and if these states to Australia's north and northeast are secure, then so too is Australia. This thought is seen explicitly in Australia's aid programme which is designed to 'advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development', and for Pacific Island countries to 'help them to achieve the maximum possible degree of self-reliance'.² Australia's latest defence policy statement reinforces the thought when it notes that, as well as the ethnic and political problems in several of the 14 island states, in most of the states 'economic and environmental challenges are uppermost'.³

Within the region there is a broad distinction to be made between Australia's

¹ Derek McDougall, *Australian Foreign Relations: contemporary perspectives*, South Melbourne: Longman, 1998, p.223.

² AusAid, *Australia and Pacific Island Countries: Partners in Development*, Canberra, 1998, www.ausaid.gov.au downloaded 7 October 2001.

³ Commonwealth of Australia, *Defence 2000: Our Future Defence Force*, Canberra: Defence Publishing Service, 2000, p.23.

relations with Papua New Guinea, of which it was the colonial power, and the remainder of the region. Australia's economic and political relationships within the region have developed according to the country concerned and according to changing perceptions of the security need, both from Australia's perspective as well as from the perspectives of the island states themselves.

Australia and the region

Australia has broad political and economic links into the South Pacific through its diplomatic posts, through its aid programme and through its relationships with the regional institutions. Its social links, while not as extensive are also broad. By the late 1970s Australia had its extensive network of diplomatic posts more or less in place and today it has representation in eight of the independent Pacific Island Forum member states and in two of the French territories in the region.⁴

In 1989, then foreign minister Gareth Evans defined Australia's policy towards the region as being one of 'constructive commitment', which meant that regional solutions to security should be promoted on the basis of 'shared perceptions' of strategic and security interests.⁵ That has, more or less, been the approach taken since then. Australia's regional approach has also been conducted in conjunction with New Zealand, although there may be differences in emphasis between the two countries on specific issues.⁶

Australian foreign minister, Alexander Downer, has noted specific examples of Australian contributions to security in the wider Asia-Pacific. He has cited Australia's loan support for several countries following the 1987 financial crisis, the way Australia persuaded the International Monetary Fund to ameliorate the conditions it set on several countries in the region as a condition for receiving aid, Australia's wide regional bilateral links and participation in multilateral forums, Australia's bilateral aid programme and its role in East Timor.⁷ He could

⁴ McDougall (n.1 above), p.225; Australian Department of Foreign Affairs and Trade website 'Diplomatic and Trade Missions Worldwide', <http://www.dfat.gov.au/missions/index.html> downloaded 8 October 2001. This, of course, means that it is not represented in six of those states.

⁵ Cited in Derek McDougall, 'Australia and Asia-Pacific Security Regionalism: From Hawke and Keating to Howard', *Contemporary Southeast Asia: A Journal of International & Strategic Affairs*, Vol. 23, Issue 1, 2001, p.81.

⁶ New Zealand is discussed separately in this volume by Hoadley.

⁷ Alexander Downer, 'Australia is Being a Good Neighbour', *International Herald Tribune*, 30 May 2001.

also have added Australia's role in Bougainville alongside that in East Timor. All of this is designed to show how Australia works 'constructively with its neighbours on issues of regional and international importance'.⁸

Of the issues cited by Downer, aid is the most important in the South Pacific. In 1983 Australia became the single most important aid donor to the region, but it has subsequently been overtaken by Japan.⁹ In 2001-02 some A\$342.9 million will go to Papua New Guinea and A\$164.6 million to the rest of the region, including to regional projects and institutions.¹⁰ This combined figure of A\$507.5 million represents very slightly less than 30 percent of Australia's total Official Development Assistance (ODA) spending. These figures are a slight increase on the A\$340 million and A\$125 million to Papua New Guinea and the rest of the region respectively in 1997-98 and of course a substantial increase over the A\$60 million to the region (including Papua New Guinea in 1976-79.¹¹ Within the aid budget Australia focuses its spending. By country, it focuses on the seven independent states 'not strongly affiliated with a former colonial administration'.¹² In the second half of the 1990s education has taken the lion's share of spending with some A\$45 million declining to about A\$ 37 million over the five years.¹³ In the same period, aid for health has risen from about A\$16 million to slightly over A\$30 million and funding for governance, infrastructure and rural development has remained at between A\$ 10 and 15 million annually.¹⁴ Since 2000, funding for governance has risen significantly at the expense of other sectors.¹⁵

Australia's relations with the regional institutions are close. Australia was a founding member of the South Pacific Commission (now the Pacific Community) and the South Pacific Forum (now the Pacific Islands Forum) and gives a

⁸ Ibid.

⁹ McDougall (n.1 above), p.225. By 1997 at least, Japan had overtaken Australia by directing some A\$148 million in ODA to the region while Australia contributed A\$114 million: AusAid (n.2 above).

¹⁰ AusAid, *Aid Budget Summary 2001-02*, www.ausaid.gov.au downloaded 7 October 2001.

¹¹ AusAid, *Total Australian Aid Flows by Country: Summary*, www.ausaid.gov.au downloaded 7 October 2001; McDougall (n.1 above), p.225.

¹² AusAid (n.2 above). The countries are Fiji, Solomon Islands, Vanuatu, Samoa, Tonga, Kiribati and Tuvalu.

¹³ AusAid, *Aspects: Statistical trends in the Australian aid program*, www.ausaid.gov.au downloaded 8 October 200, No.3 September 2000.

¹⁴ Ibid.

¹⁵ Ibid.

significant amount of its regional multilateral aid through regional institutions such as the Forum Secretariat, the Secretariat of the Pacific Community, the South Pacific Regional Environment Programme and the South Pacific Applied Geoscience Commission.

As well as ODA, Australia contributes to regional security through its military relationships within the region. The Australian Defence Force (ADF) controlled the Papua New Guinea Defence Force until that country's independence and have continued in a mentoring role. In 1987 the two countries signed the PNG-Australia Joint Declaration of Principles, which reflects the expectation 'that Australia would be prepared to commit forces to resist external aggression against Papua New Guinea.'¹⁶ Australia, with New Zealand, has been instrumental in assisting Papua New Guinea and secessionist from Bougainville resolve their issues through talks and peace monitoring processes. This issue is discussed in some more detail below. With other Pacific Island states, Australia's interests in a 'stable and secure Southwest Pacific are matched by significant responsibilities as leader and regional power' and Australia 'would be very likely to provide substantial support in the unlikely event that any country in the South West Pacific faced substantial external aggression.'¹⁷ Australia's engagement with the island states is primarily through the Defence Cooperation Program (DCP) of which the Pacific Patrol Boat Project (also discussed below) is the major component. Australia has about 70 military advisers in the Pacific and about 400 members of the security forces of the island states receive training in Australia annually.¹⁸ Australia also provides more limited help to Pacific Island police forces.

Regional issues – Australian responses

The region is not one in which traditional security has been a significant issue, although coups in Fiji and Solomon Islands and a secessionist movement in Papua New Guinea have periodically raised regional tensions. During the Cold War Australia saw the region as one requiring 'strategic denial' against the Soviet Union – not a view necessarily shared by the Island states themselves which were more preoccupied by issues of decolonisation and the environment.

¹⁶ Commonwealth of Australia (n.3 above), p.43.

¹⁷ Ibid, p.44.

¹⁸ Ibid.

Since the end of the Cold War, Australia's interest in South Pacific security has been primarily about non-traditional issues: the economy, the environment and resources.

In the decade immediately preceding the end of the Cold War three significant regional political/security issues preoccupied Australian policymakers: the establishment of a South Pacific Nuclear Free Zone in 1985; independence for New Caledonia and the two 1987 coups in Fiji. In each of these cases Australia worked through the South Pacific Forum in an attempt to achieve its goals, which were more or less achieved.¹⁹ By the end of the Cold War Australia, while still strongly supporting the Forum and other regional institutions, began to emphasise a 'partnership with Pacific Island countries which promotes regional stability through economic development and the encouragement of shared perceptions of strategic and security interests'.²⁰ This new emphasis can clearly be seen in Australia's development and military aid programmes.

Self-reliance (and thus security) for the region and for Pacific Island countries will be achieved (to the extent it can), the Australian argument goes, through programmes designed to achieve better governance, stronger economic growth, greater capacity [to provide services], better service delivery and environmental integrity.²¹ The breadth and depth of Australia's ODA support is impressive. In 1998 Australia provided 37 percent of Tuvalu's total aid, 31 percent of Fiji's and 29 percent of Kiribati's.²² Other countries received declining percentages down to one percent or nothing at all for countries and territories (such as Tokelau, Palau or New Caledonia) associated with New Zealand, the United States and France.

The case of Kiribati may be used to show how widely Australian aid is distributed. Kiribati, which received some A\$8.3 million in aid in 1999-2000, received support in the education, health, water supplies, sanitation, government and civil society, transport, energy systems fisheries, trade and tourism and environment

¹⁹ McDougall (n.1 above), p.227.

²⁰ Australian foreign minister Gareth Evans cited in McDougall (n.1 above), p.228.

²¹ AusAid, *Australia's Overseas Aid Programme 2001-02*, Statement by the Honourable Alexander Downer MP, Minister for Foreign Affairs, 22 May 2001, www.ausaid.gov.au downloaded 7 October 2001.

²² AusAid (n.13 above).

sectors.²³ That support ranged from high-level tertiary health care services through the provision of proper water and sanitation facilities on Christmas Island to advice on intellectual property issues. In all, Australia's aid to Kiribati was about 11 percent of GDP in 1999.²⁴ As well, in 1999-2000 some 770 Pacific Islanders received Australian scholarships to study in Australia and some A\$33 million of aid provided to regional organizations to achieve the programmes ends.²⁵

Resource issues are fundamental to the security of most of the island states. Military assistance is provided through the Defence Cooperation Programme, the core of which is the Pacific Patrol Boat Project. This project, established in 1985, has provided 22 patrol boats to 12 countries at a cost of about A\$142 million since the first was delivered in 1987.²⁶ The boats are designed to give the countries a capability to patrol and protect their Exclusive Economic Zones and are supported by Australian staff seconded to the countries concerned, by training conducted in Australia and through the development of a locally based support infrastructure. In 2000 Australia decided to extend the project until 2027 at a cost of \$A350 million to ensure that the boats could remain in operation for a 30 year lifespan.²⁷

Climate change is potentially a serious problem for a number of island states as they look to lose a significant part of their landmass if sea-levels rise to the extent indicated. Australia is a significant supporter of and contributor to the South Pacific Sea Level and Climate Change Monitoring Project. The project is building a database on sea level change in the Pacific and Australia is funding the project until at least 2005.²⁸ As well, Australia funds meteorological services, contributes to disaster management efforts in response to extreme weather.

²³ AusAid (n.11 above).

²⁴ Derived from International Monetary Fund and AusAid data.

²⁵ AusAid, *Annual Report 1999-2000*, Canberra: AusAid, 2000, www.ausaid.gov.au downloaded 9 October 2001.

²⁶ Defence Materiel Organisation, *SEA 1363 Pacific Patrol Boat Project*, www.dmo.defence.gov.au downloaded 6 October 2001.

²⁷ Prime Minister of Australia, 'Pacific Patrol Boat Project to be Extended', media release 30 October 2000.

²⁸ Ralph Hillman, 'Welcoming Address', *Pacific Islands Conference on Climate Change, Climate Variability and Sea Level Rise*, Rarotonga, Cook Islands, 3-7 April 2000, www.dfat.gov.au/media/speeches/departement downloaded 6 October 2001.

Australia and Papua New Guinea

Any analysis of Australia's security interests in the region has to separate its dealings with Papua New Guinea with those of the rest of the region. PNG is the largest and most ethnically and culturally diverse island state and its problems are commensurate. PNG is a former colonial possession and as such it receives an overwhelming percentage of the regional aid budget and an overwhelming proportion of Australia's regional diplomatic effort. Australia is seen as having 'a responsibility to ensure that Papua New Guinea functions as a viable political and economic entity'.²⁹ The governments of the two countries have agreed to 'consult, at the request of either, about matters affecting their common security interests'.³⁰ In the event of external armed attack consultations would be to decide what measures should be taken in relation to that attack.³¹

Throughout the 1990s the secessionist movement in Bougainville occupied the attention of policymakers. Between 1989 and late 1997 a bloody civil war was fought on the island with perhaps up to 20,000 people killed as a direct result of the war.³² Australia's interests were to attempt to broker a resolution of the dispute and to ensure that the fighting did not spill over significantly to other countries, especially Solomon Islands (although it did to some extent). Australia hosted talks in Cairns in the mid-1990s, contributed to the New Zealand led Truce Monitoring Group in 1997 and led the subsequent 1998 Peace Monitoring Group whose task continues. Aid to Bougainville is now a significant part of the total aid to PNG. Without Australia's interventions, especially following New Zealand's withdrawal from the lead in the process, the civil war could have reverted to the conditions of the early 1990s.

Australia's aid programme to PNG covers all the priority areas defined for ODA generally, there is just much more of it. The aid programme goes into most corners of the country. For example, education aid provides money for policy and administration, teacher training, pre-school, primary, secondary, vocation and higher education. The money provides equipment, trains supervisors,

²⁹ McDougall (n.1 above), p.237.

³⁰ 1988 Joint Declaration of Principles cited in McDougall (n.1 above), p.238.

³¹ In this the Joint Declaration is very similar to other security arrangements to which Australia is a signatory, specifically to the ANZUS alliance and the Five Power Defence Arrangements.

³² See Jim Rolfe, 'Peacekeeping the Pacific Way in Bougainville', *International Peacekeeping*, vol. 8, no. 4, Winter 2001.

establishes distant education projects, strengthens the infrastructure and sets up scholarships. Health, government and communications, banking and financial services, business, agriculture, trade and tourism and other sectors all receive a wide range of aid.

As well as the aid, to support its economy, PNG gets preferential access to the Australian market under the 1976 Papua New Guinea Australia Trade and Commercial Relations Agreement. Australia is Papua New Guinea's largest trading partner, taking about 20 percent of exports and providing some 50 percent of imports.³³

The other side of the ledger

Australia, like most countries, does put its own interests (however defined) ahead of regional ones. For example, on greenhouse emissions, despite Australia's positive support for climate change projects and for 'the entry into force and implementation of the Kyoto Protocol',³⁴ Australia blocked any expression of support in the 1997 South Pacific Forum communiqué for a reduction of greenhouse gases, because Australia had won the right to increase its emissions.³⁵ This of course is a fundamental security issue for the island states. Subsequently Australia has not been so supportive of Pacific interests that it wants criticism of other countries, specifically the US, that do not intend to ratify the Protocols. This is clearly because Australia has accepted the US position. As a result, Australia attempted (and failed) to remove critical language in the 2001 Forum Communiqué about the US' failure to ratify Kyoto.³⁶ This minor dispute may be symbolic rather than substantive, but it reinforces perceptions of Australia as at times being overbearing in the region and as being perhaps not as committed to the region's security as it claims.

Australia is also prepared to lecture South Pacific governments on the 'best' or the 'right' way to run their countries. Since 1994 there have been a series of

³³ <http://www.emulateme.com/content/papuanew.htm#econ> downloaded 11 October 2001.

³⁴ Hillman (n. 28 above).

³⁵ See Jim Rolfe, 'The Pacific Way: Where "Non-Traditional" is the Norm', *International Negotiation*, vol. 5, 2000, p.436.

³⁶ Pacific Islands Report, 'Australia Trying to Block Islands' Move on Climate Change, Says Sydney Morning Herald', 14 August 2001, <http://166.122.164.43/archive/2001/August/08-15-02.htm> downloaded 13 October 2001; Forum Secretariat, 'Thirty-Second Pacific Islands Forum', *Forum Communiqué*, Republic of Nauru, 16-18 August 2001.

statements by Australian ministers along the lines of ‘reform your political, economic and social systems or be prepared to lose investment’.³⁷ Also in 1994, Australia was seen as instrumental in keeping Fijian candidate Felipe Bole out of the position of Secretary-General of the Pacific Islands Forum in favour of the Australian preference outgoing Secretary-General Ieremia Tabai of Kiribati who had not reapplied for the position.³⁸

Most recently, Australia’s use of the so-called ‘Pacific Way’ in late 2001 to farm unwanted refugees to Pacific island countries (and New Zealand) for payment has drawn allegations by individuals and NGOs that Australia is using the Pacific as a ‘dumping ground’ and should instead ‘take care of its own problems’.³⁹ Pacific leaders also criticized the moves, arguing that the risks of the programme outweighed the benefits, that it was unsustainable and that it put extreme pressure on already vulnerable countries.⁴⁰

As a result of these and similar actions, Australia is seen by a majority of current tertiary students in the region (the future elite), not only as a positive contributor to the region, especially through the aid programme, but also as an overbearing ‘big brother’ – ‘Australia likes to tell us what to do’, Australia is ‘too active’, Australia uses a ‘subtle dictatorship’ and ‘bullying tactics’.⁴¹ On balance, however, it seems that a majority of the respondents in this survey believed that Australia (and New Zealand) should remain part of the Pacific through their position in the Pacific Islands Forum.

A Future Role

Australia provides positively for the security of the Pacific Island states, in both traditional and non-traditional ways. But it is not contentious to assert that Australia places its relationship with the United States ahead of any other. This because the US is the dominant power and it makes sense to ‘be on the US side’.

³⁷ Rosaleen Smyth, Nii-K Plange and Neil Burdess, ‘Big Brother? Australia’s Image in the South Pacific’, *Australian Journal of International Affairs*, vol. 51, no. 1, April 1997.

³⁸ Ibid.

³⁹ Pacific Islands Report, ‘Pacific Concerns Resource Centre Says Australia Using Pacific as Refugee “Dumping Ground”’, 19 October 2001, <http://166.122.164.43/archive/2001/October/10-19-03.htm> downloaded 31 January 2002.

⁴⁰ Pacific Islands Report, ‘Pacific Refugee Plan under Fire’, <http://166.122.164.43/archive/2001/October/10-30-01.htm>, downloaded 31 January 2002.

⁴¹ Smyth (n. 37 above).

There are some who argue that the US will not remain economically dominant indefinitely and that Australia should prepare for that. To get America's attention in the future, according to one prominent analyst, Australia will have to demonstrate that it can 'add value'. It should do this, the argument goes, by formalizing 'what many in the region already know: Australia is the South Pacific's hegemon'.⁴² Thus, Australia should take the region's combined marine resources and its key maritime routes, form an alliance and 'collectively choose whom to let in to exploit the region's maritime resources, thus giving the South Pacific economic leverage it does not now enjoy'.⁴³ Australia would of course gain even greater leverage as the hegemonic power.

If this kind of analysis were to be generally accepted, Australia's position within the region would alter fundamentally. Instead of assisting in the wider security needs of the individual states, Australia would be in a position to define security for them (more than it already does), not necessarily to their benefit. Proposals such as this are not likely to be either acceptable or accepted, but they do demonstrate a strand of thinking within Australia that sees Pacific security as being the security of the United States and of Australia, rather than of the island states themselves.

Conclusions

Australia is an important (perhaps the important) security relationship for nearly all the independent states in the South Pacific. This is true whether it is the traditional security related to defence issues, or whether it is the kind of security gained through economic security and good governance. For Australia however, the South Pacific is not the most important region in its foreign policy horizons; not even a particularly important region. Australia does not provide support primarily out of a sense of altruism, although there may be an element of that. This means that Australia's aid to the region and interest in it is contingent. It is contingent on the degree of interest that Australian policymakers take in the region and that is contingent, to some extent, on the degree to which the region can make itself important to Australia.

To the extent that Australia does define security for the region, there may be an

⁴² John Bruni, 'Our role: big fish in the South Pacific', *The Canberra Times*, 26 January 2001.

⁴³ *Ibid.*

inclination to promote defence (a limited need) at the expense of, for example, policing (probably more important than defence), or protection against environmental change, or promotion of the regional human skills base. Defining the balance between forms of aid to promote security is, no doubt, high on the agenda of annual negotiations between Australia and the recipients of its security aid. Pacific countries need to be continually assessing the relative merits of the forms of aid they do get to ensure that it meets their needs as well as Australia's.

New Zealand's Pacific Island Security Policies

By Stephen Hoadley

Introduction

New Zealand is a small but active player in Pacific island security affairs. Its main focus is the Polynesian sub-region, but in recent decades the importance of the Melanesian sub-region has been acknowledged in diplomacy, aid and military deployments. After a brief review of New Zealand's extensive interests in the South Pacific, this chapter surveys New Zealand's official perceptions of current Pacific island security threats and the policy aims and instruments designed to cope with them. Security cooperation with the United States, Australia, and France is discussed. The chapter then makes a critical assessment of the ability of the New Zealand Government to maintain its traditional level of military contributions to island security. It concludes that New Zealand's constructive involvement, while temporarily scaled down in maritime presence, will continue vigorously in other policy sectors.

New Zealand's Pacific Island Involvement

New Zealand arguably has the closest affinity with the South Pacific of any outside country. In the late nineteenth century, ambitious settler-politicians such as Premier ("King Dick") Seddon regarded New Zealand as a natural ally of Britain as a hegemon in the South Pacific.¹ Even before acquiring a Navy of their own to police their anticipated writ, they importuned London to turn over island dependencies to Wellington's jurisdiction. They failed to persuade Britain to transfer Fiji, but did eventually acquire Cook Islands, Niue, and Tokelau. In 1914 the nascent New Zealand Division of the Royal Navy led an expedition to seize Western Samoa from Germany. During this period New Zealand leaders urged Great Britain to use the Royal Navy to resist French, Russian, and German

¹ On the historical record see Angus Ross, *New Zealand Aspirations in the Pacific in the Nineteenth Century* (Oxford: Clarendon Press, 1964); Angus Ross, ed., *New Zealand's Record in the Pacific Islands in the Twentieth Century* (Auckland: Longman Paul for the New Zealand Institute of International Affairs, 1969); Bernard K. Gordon, *New Zealand Becomes a Pacific Power* (Chicago: University of Chicago Press, 1960); J. R. Hanan, "New Zealand's Responsibilities in the South Pacific," in B. M. Brown, ed., *New Zealand in the Pacific* (Wellington: New Zealand Institute of Public Administration, 1970).

encroachments in the South Pacific and looked with scepticism at United States annexation of Hawaii and American Samoa.

New Zealand's status as a colonial power ended when Western Samoa became independent in 1962 and Cook Islands and Niue became self-governing in free association in 1965 and 1974 respectively.² Tokelau (population approximately 1500) was made a territory of New Zealand in 1948. The New Zealand Government through the Ministry of Foreign Affairs and Trade (MFAT), with oversight by Parliament, still administers Tokelau directly, but each of the three atolls has a local council and Tokelauans are employed for local affairs. Occasional delegations from the United Nations Special Committee on Decolonisation have detected no desire for independence. Cook Islanders, Niueans, and Tokelauans are New Zealand citizens, and more of them now reside in New Zealand than in their home islands.

While Cook Islands and Niue are completely self-governing and have foreign affairs competence, their capacity to conduct diplomacy is limited, and their bilateral contacts are limited, particularly Niue's. New Zealand provides limited diplomatic assistance on request. Western Samoa is sovereign, conducts its own diplomacy, and is a member of the UN General Assembly. A Treaty of Friendship loosely obligates New Zealand to consult on defence, and a special immigration quota allows many Samoans to move to New Zealand, where they now comprise the largest island minority, numbering over 100,000.

Because approximately 21 per cent of the population is of Polynesian origin (6 percent are islanders and 15 percent are indigenous Maori), New Zealand's cultural and immigration policies are of major importance. This is acknowledged by relaxed immigration requirements and the appointment of Cabinet ministers for Pacific Island Affairs and Maori Affairs. Recognising in 1971 the consequences of recent islander immigration and the emergence of newly independent island governments, New Zealand took the initiative in hosting the inaugural meeting of the South Pacific Forum. Regularly since then, the Government has promoted South Pacific cultural activities, including time on publicly owned radio and TV. Substantial health, education, welfare, and

² On these and other island states see Steve Hoadley, *The South Pacific Foreign Affairs Handbook* (Sydney: Allen & Unwin, 1992).

cultural funds are targeted to the island communities. And over one-half of bilateral official development assistance is now directed to island countries and additional funds allocated for South Pacific regional organisations, programmes, and projects.

With Australia, New Zealand in 1975 initiated the move to create a South Pacific Nuclear Free Zone and helped negotiate the Pacific Islands Industrial Development Scheme in 1976 and the South Pacific Regional Trade and Economic Cooperation Agreement in 1980. Also, in 1976 the Minister of Defence began reorienting New Zealand's strategy give more attention to the South Pacific.³ The Fourth Labour Government, sceptical of Cold War alliances, and cut off from direct military cooperation with the United States after the nuclear-ship-visit dispute in 1985, found it an attractive alternative to stress New Zealand's orientation to the South Pacific. The 1987 defence white paper included among the principal defence objectives the following:

- 1) To preserve the security of New Zealand, our 200 mile EEZ, and the Island states (the Cook Islands, Niue, and Tokelau) for which New Zealand has defence responsibilities;
- 2) To mount an effective military response to any low level contingency within our area of direct strategic concern [defined as] a broad arc stretching from Australia through Papua New Guinea, Kiribati in the north and across to the Cook Islands in the east;
- 3) To promote the security and stable development of the South Pacific by providing practical assistance in defence matters;
- 4) To maintain close defence cooperation with Australia in the South Pacific;
- 5) To provide disaster relief assistance, resource protection, rescue and medical evacuation services to the South Pacific.⁴

In the late 1980s the Labour Government initiated a major South Pacific policy review. The resulting 300-page report contained 62 recommendations covering diplomacy, economic relations, aid, cultural relations, the environment, and

³ Steve Hoadley, "New Zealand", in F. A. Mediansky (ed) *Strategic Competition and Cooperation in the Pacific Islands* (Sydney: University of New South Wales Centre for South Pacific Studies, 1995), pp. 267-292.

⁴ NZ Ministry of Defence, *Defence of New Zealand: Review of Defence Policy 1987* (Wellington: Government Printer, 1987), p. 31.

defence and security issues.⁵ The thrust of the recommendations was New Zealand's indissoluble relationship with the South Pacific in all policy sectors and the government's duty to promote harmony with, and within, the region. While the opposition National Party decried the South Pacific policy as parochial, when it became the Government in 1990 it substantively continued Labour's policies, and the first visit abroad by the newly elected Minister of Foreign Affairs in 1991 was to the South Pacific.

New Zealand's presence in the South Pacific region appeared to be welcomed by island leaders (with the possible exception of Fijian nationalists since the first coup in 1987) because it is perceived as sympathetic and sensitive to island needs, in contrast with the alleged insensitivity of larger powers. New Zealand role in the drafting of the South Pacific Nuclear Free Zone Treaty (Treaty of Rarotonga) and hosting in Wellington the signing of the South Pacific Forum sponsored convention condemning driftnet fishing, are examples of a constructive role. An example of acceptability is Papua New Guinea's invitation to New Zealand to send the frigate *HMNZS Canterbury*, then the tanker *HMNZS Endeavour*, to assist in negotiating a ceasefire with the Bougainville rebels in the early 1990s, and New Zealand's subsequent hosting of the peace talks and leadership of the multinational Truce Monitoring Group. The Bougainvilleans too preferred New Zealand to Australia because of the latter's alleged bias and likelihood of imposing its interests on the parties.

During the past year 2000-2001 New Zealand has contributed to the ceasefire in Solomon Islands by providing, at the invitation of the two contending island groups, a combination of diplomacy, naval and police presence, and economic and technical aid. This small but useful ameliorative role is acknowledged by the US Secretary of Defence, and by CINCPAC, as an instance of burden sharing in spite of differences over nuclear-propelled ship visits, and by Japan, which consults with New Zealand diplomats and aid officials on the nuances of small island countries.

New Zealand's Current South Pacific Security Posture

Historically, New Zealand has pursued "strategic denial", a resistance to

⁵ South Pacific Policy Review Group, *Towards a Pacific Islands Community* (Wellington: [Prime Minister's Office], 1990).

intrusion of potentially incompatible powers into the South Pacific.⁶ These latter included, at various times, France, Russia, Germany, the United States, and Japan. While the phrase strategic denial has not been used since the end of the Cold War, the concept is still alive. In February 2001, the Ministry of Foreign Affairs and Trade (MFAT) summed up New Zealand's interests in the Pacific island region.⁷ Under the heading of maintaining defence and security, the MFAT statement elaborated New Zealand objective as follows:

We have an ongoing interest in ensuring that potentially hostile or destabilising powers do not establish bases or other footholds in the region.⁸

Nevertheless, this did not indicate that “outdated Cold War thinking” still predominated in official circles, as decried by Alliance Party and Green Party idealists. After acknowledging that “at present New Zealand faces no perceivable conventional military threat in the region”, MFAT's assessment turned to up-to-date non-conventional security threats:

The main current threats to New Zealand's security come more from criminal activities—transnational financial scams, drug smuggling, corruption and illegal immigration and people smuggling. A potential exists also for the establishment in the region of extra-regionally based terrorist groups.... Local [island state] police and military forces, by and large, do not have sufficient capacity to deal with these problems, and New Zealand cooperation is of mutual benefit [and] allows us to address some of these problems before they reach our shores.⁹

This statement reflected a review conducted in 2000, in which MFAT noted that the South Pacific region was “troubled” by a series of emergencies over the past

⁶ Hoadley in Mediansky, cited above and Richard Herr, “Regionalism, Strategic Denial, and South Pacific Security”, *Journal of South Pacific History*, Vol 21 (October 1986), pp. 170-182. Until the mid-20th century New Zealand regarded Great Britain as the natural hegemon of the Pacific islands. New Zealanders, particularly those of left-of-centre persuasion, have not yet accepted the United States as the new hegemon, but New Zealand's policy is based on that tacit assumption.

⁷ *Review of New Zealand Policy for Relations with Pacific Island Countries: Discussion Document* (Wellington: Ministry of Foreign Affairs and Trade, February 2001), at Para 4.3 ff and Annex A. Found at www.mft.govt.nz/foreign/regions/sthpacific. These phrases are indicative summaries only; the original document provides considerable elaboration, qualification, and detail.

⁸ *Review*, cited above, Annex A.

⁹ *Review*, cited above, Annex A.

two decades.¹⁰ It noted that several occasions have involved major civil violence and bloodshed (PNG, Bougainville, Vanuatu, Fiji, Solomon Islands, New Caledonia). Evacuation of New Zealanders and other expatriates, including those from the United States, was necessary or contemplated on several occasions. Not only island states but also Northern Hemisphere governments expected New Zealand and Australia to carry the main burden of response or assistance.

New Zealand officials expected further emergencies on the pattern of the 1980s and 1990s to flare up. They also anticipated natural disasters, which would demand New Zealand assistance and require deployment of military resources and capabilities. Some of the contingencies anticipated by New Zealand security analysts included:

- 1) Collapse of civil authority leading to unchecked violence, as long feared in PNG and partly manifested recently in Solomon Islands and Fiji;
- 2) A need to evacuate or protect New Zealand and other expatriates placed at risk by a civil emergency, again, as in Solomon Islands and Fiji;
- 3) A request from a friendly government for assistance for protection in the face of threatened overthrow by force, as in Vanuatu in 1988, or to help control civil violence;
- 4) A request to provide peace brokering or peacekeeping assistance, as in Bougainville and Solomon Islands.

One might add the breakdown of order or the rise of piracy in the Indonesian archipelago. Although these contingencies would fall outside the South Pacific region, they would present similar challenges, and require similar responses, albeit on a larger scale, to those in the South Pacific.

The New Zealand Government acknowledged that the problems of the region demanded a multi-track approach. It enunciated a commitment to use all available means—economic and diplomatic as well as military—to avert further security crises. In particular, the Government proposed to:

- 1) Maintain a long-term strategy for supporting economic development, with

¹⁰ These passages are drawn from Ministry of Foreign Affairs and Trade, *New Zealand's Foreign and Security Policy Challenges* (May 2000). South Pacific chapter. This document remains the most comprehensive recent statement of New Zealand's security interests around the world.

associated good governance,

- 2) Keep up an active role in South Pacific institutions such as the Forum and encourage collective solutions to region-wide problems;
- 3) Make full use of economic aid - and encourage governments outside the region to maintain support for island states;
- 4) Use diplomatic resources to help develop political solutions to internal problems;
- 5) Use military assets peacefully where that is important and useful as in Bougainville;
- 6) Use military programmes (defence co-operation and mutual military assistance programmes) in ways that encourage military and paramilitary forces in the region to operate constitutionally; and
7. Help develop security capabilities appropriate to regional needs.

The New Zealand Defence Force (NZDF) Contribution

South Pacific capabilities have long been a core requirement for the NZDF. The Government believed that to serve New Zealand's interests it was necessary to have military options available to respond to South Pacific emergencies.

However, the New Zealand Government, particularly under the Labour-Alliance Coalition from late 1999, was wary of military involvement beyond protection of New Zealand citizens. At the same time, it acknowledged that the New Zealand public expected a response to humanitarian emergencies in their region, and that defence assets might be necessary. Although most scenarios would involve combined Australian and New Zealand effort, the New Zealand Government remained committed to maintaining some independent capacity for small-scale contingencies.

The Minister of Defence in 2000 applied the priorities of the new Labour-Alliance Government and drew several conclusions relating to NZDF capabilities that flowed from the above observations:

- 1) Army capabilities and associated naval and air support, including maritime surveillance, would form the core of a New Zealand response in most South Pacific scenarios that could be imagined.
- 2) Ability to perform core military tasks in the South Pacific should be a primary point of reference for future NZDF capability development.

- 3) In addition, the NZDF should be able to support resource protection activities, search and rescue, disaster relief and development assistance.
- 4) Interoperability and close operational links with the Australian Defence Force, along with complementary capabilities, will remain essential.¹¹

These prescriptions merely restated long-standing policy. For three decades the NZDF has maintained a high profile in the South Pacific through the Defence Mutual Assistance Programme, military-to-military aid and training, including civic action such as construction, and medical work. The Mutual Assistance Programme has long been a key tool of regional engagement. A range of training assistance is provided to PNG, Fiji, Tonga, Vanuatu, Solomon Islands, Samoa, and the Cook Islands. The focus is on leadership, staff and resource management training, officer promotion, and technical and trades training courses. During the 1999-2000 year the Royal New Zealand Navy devoted 4149 man-days to Mutual Assistance Programme activities, including support of the Australian Pacific Patrol Boats operated by South Pacific states.

Other Defence activities included exercises, visits, maritime surveillance patrols, port calls and disaster relief support. In the July 1999-June 2000 year, for example, Royal New Zealand Navy ships spent 129 ship-days operating in the South Pacific, not counting extra-regional deployments indirectly enhancing island security.¹²

New Zealand's relations with France reached a low point in the 1980s. Since then, substantive defence co-operation has been developed progressively with the French forces in the Pacific, based mainly in New Caledonia. In 1992 New Zealand and France signed two agreements:

- 1) Joint Statement on Disaster Relief Co-operation (including Australia, called FRANZ), and
- 2) Technical Arrangement on the Exchange of Data between the Chief of Staff of the French Armed Forces and the Chief of Defence Force of the NZ Defence Force (Australia signed a parallel agreement).

¹¹ Minister of Defence, *Defence Policy Framework 2000* ([Wellington, Office of Minister of Defence, 2000]). Found at "<http://www.executive.govt.nz/minister/burton>" www.executive.govt.nz/minister/burton or <http://www.defence.govt.nz>

¹² Figures courtesy of Cdr Stuart Duff, NZ Naval Staff, Wellington.

Political-military consultations were initiated in March 2000. RNZN ship visits to Noumea for familiarisation and minor exercises with counterparts have become routine. In March 2001 France, with Australia, participated in TASMANEX, a naval-air force joint and combined exercise organised by New Zealand.

New Zealand has a deep and multifaceted security relationship with Australia that dates back to the Canberra Pact of 1944.¹³ It was reiterated in 1991 by defence ministers, who formalised them under the title Closer Defence Relations. The two countries consult regularly on common interests in the South Pacific and elsewhere, co-ordinate exercises and deployments, and harmonise logistics, training, and doctrine.

New Zealand has an operational agreement with Australia to co-ordinate marine search and rescue, called MARSAR. As well, New Zealand is associated with an Australia-US agreement called Radford-Collins wherein New Zealand in time of conflict takes responsibility for surveillance and naval control of shipping in a zone to the east of Australia and south of the Equator, complementing the Australian and American zones. While the US has refused to exercise militarily with New Zealand since 1985, and Radford-Collins has never been tested, defence officials believe NZ participation would still be valued by the US in time of emergency.

Further, the Bougainville Truce Monitoring Group set up in 1996 was a combined ANZAC operation (Operation Belisi) led by New Zealand with Australian participation, and it was succeeded by the Bougainville Peace Monitoring Group, with the roles reversed. The International Force in East Timor (INTERFET) led by Australia in 1999 included a large New Zealand navy and army commitment. The evacuation of foreigners from Solomon Islands in 2000 entailed co-ordination between the Royal Australian Navy support ship *HMAS Tobruk* and the Royal New Zealand Navy frigate *HMNZS Te Kaha*, as well as transport elements of the two air forces. The foreign affairs ministers of New Zealand and Australia together visited Solomon Islands and Fiji to encourage peaceful resolution of their respective crises, and formed a joint International Peace

¹³ Steve Hoadley, *New Zealand and Australia: Negotiating Closer Economic Relations* (Wellington: NZ Institute of International Affairs, 1995), Ch 7.

Monitoring Group, to which they each committed personnel and resources. They keep in frequent contact regarding these and other South Pacific disturbances. The defence forces of New Zealand and Australia are standing by for further evacuations, peacekeeping deployment, or in the worst-case humanitarian intervention.

Assessment

If the New Zealand Government is to maintain its current scope and tempo of activity in the South Pacific and to achieve its security goals summarised above, it must maintain the capacity of three broad instruments:

- 1) Diplomatic posts and personnel
- 2) Official development assistance and personnel
- 3) Defence Force platforms and personnel

Other instruments including the police and judiciary, the border services immigration and customs, and a panoply of administrative departments with expertise to apply (e.g. agriculture, education, health) are also deployed in pursuit of South Pacific policy objectives, but this essay concentrates on diplomats, aid, and the military.

Diplomacy

Despite the fact that New Zealand maintains more diplomatic posts, ten, in the region than any state besides Australia, its diplomats are surprisingly few in numbers. Post-1984 administrative streamlining and downsizing have hit MFAT, too, resulting in a reduction of MFAT officers in missions abroad to 22, down from nearly 30 a decade ago. Several island posts are staffed by just two MFAT officers (although augmented by local employees and sometimes assisted informally by a spouse). Posting schedules, consultations in Wellington, and personal contingencies sometimes produce long absences from the host country. Personnel in the Pacific Division of MFAT in Wellington number only 14, down from nearly 20 in 1990. Thus during a decade when the Pacific Island Forum expanded its membership from 13 to 16 to take aboard the three new Micronesian states north of the Equator, and island governments are becoming more active bilaterally and in regional and international fora, New Zealand's diplomats struggles to keep abreast of events.

Aid

New Zealand's South Pacific aid has generally risen in proportion to total aid, and has diversified from traditional infrastructure projects, technical assistance, and scholarships into good governance, human rights, law and order, and conflict resolution programmes.¹⁴ But the overall value of allocations to the South Pacific has levelled off in the past three years, and the international purchasing power of the New Zealand dollar has eroded. The number of South Pacific programme officers of the Development Cooperation Division has remained static at approximately 15. The Labour-Alliance Government's recent statements on aid revealed no significant increase in the value of aid to the South Pacific or the number of aid officials devoted to the region for the 2001-2002 period.

Defence Force

The NZDF has had to adjust to an inexorably declining budget since the Vietnam War. Only 1 percent of GDP is available for personnel, equipment and operations after taxes and depreciation levies are taken out of *Vote: Defence*. A weakening exchange rate has hampered equipment purchases from abroad. Consequently, in 1994 New Zealand ceased hydrographic survey work in the islands, a service much valued, and which kept New Zealand's profile high. In the 1997 defence review the National Government reduced the requirement for naval combatants from four to three, and in 1998 Cabinet decided not to acquire a third ANZAC frigate but to make do with an ageing Leander class frigate.

The National Government acquired a logistic support ship, but for want of NZ\$30 million to convert it for military use, it leased the ship to a Spanish firm. The current Labour-Alliance Government recently decided to sell off the logistic support ship without having made specific plans to acquire a replacement. Leasing commercial ships to carry Army troops and vehicles to specific contingencies appears to be the option favoured by the Government. The Prime Minister in May 2001 announced that when *HMNZS Canterbury* is paid off in 2005, it is to be replaced by a long-range multipurpose vessel.¹⁵ This will

¹⁴ *New Zealand Official Development Assistance Annual Review 2000* (Wellington: Ministry of Foreign Affairs and Trade, 2000), p. 23.

¹⁵ *Government Defence Statement: A Modern, Sustainable Defence Force Matched to New Zealand's Needs*. 8 May 2001. Found at www.executive.govt.nz/minister/burton/sustainable-defence

reduce the Navy to two combatants. It is clear that until new acquisitions are made, the Navy will no longer be able to conduct operations in the South Pacific at the tempo of the past decade, and the New Zealand security presence will decline correspondingly.

The new Government has also cancelled a maritime surveillance capacity upgrade (Project Sirius) for the P-3K Orion patrol planes. Arming them with Harpoon or other stand-off missiles for maritime strike is under consideration. While these aircraft will continue to fly South Pacific patrols, their capacity to detect submarines and small craft, and to communicate digitally in real time with Australian, French, or American counterparts, will decline.

The NZ Army is being bolstered by acquisition of armoured vehicles and communications equipment, and will continue to train with their island counterparts and conduct Mutual Assistance Programme and civic action projects. But Army ability to deploy to island contingencies remains dependent on RNZAF airlift by six ageing C-130H Hercules transports. The Hercules can carry only one of the new LAV-III APCs at a time, and only to venues with decent airfields, so until the proposed multipurpose ship is operational, commercial ships will need to be chartered to move the Army's vehicles. Precedent exists in New Zealand's despatch of Army M-113 APCs to East Timor aboard a Dutch commercial vessel, but there were time delays, and French Navy assistance was necessary to get the APCs across the beach at Suai. Charter companies, or maritime unions, or their insurers, may refuse to enter a high-risk environment, limiting New Zealand's options. Australian or US Navy sealift might be an alternative, but in a serious emergency RAN and USN ships would be fully committed. In view of the low priority and extended time-frame assigned by the New Zealand Government to military sea-lift, implicitly offloading this function to allied or partner governments, these governments may be reluctant to go out of their way to ferry New Zealand's vehicles to a high-profile peace support operation.

The Defence Forces will doubtless continue to do what they can, where they can, and with a high standard of military professionalism within the limits of their equipment shortfalls. But the shrinking number of personnel and platforms, and the consequent eroding usefulness of the NZDF as a partner to more

robust and technologically more advanced defence forces of Pacific Rim states, will progressively limit New Zealand's ability to respond to distant and varied contingencies, both unilaterally and in concert with like-minded governments. New Zealand's credibility, an intangible quality but often cited when the concepts of deterrence and strategic denial are asserted, may now be at risk.

Conclusion

Relative to the past, and relative to new players in the Pacific Ocean region, New Zealand's influence appears to be declining. The decline is structural, partly a result of changing power balances in the Pacific. It cannot be arrested without increased budgetary resources. There is no indication from the Government that South Pacific policy will get more than a rhetorical boost in the next year or so. The opposition National Party has pledged to increase the defence budget. But during National's period in office 1990-1999, defence allocations shrank, and diplomatic and aid resource allocations remained static, so a decisive turn-around under a new National Government cannot be relied upon. However, the decline has been slowed by vigorous and innovative diplomacy. The Minister of Foreign Affairs Phil Goff has devoted energy to revitalizing South Pacific policy, by making visits and cultivating personal contacts.

In early 2001 he initiated a departmental review of South Pacific policy and mandated outreach consultations with Polynesian communities resident in New Zealand. His Associate Minister in mid-2001 foreshadowed more aid for island countries in the 2002-2003 budget. And the Prime Minister attended the 2001 Forum Leaders meeting at Nauru and put her weight behind a new Pacific Agreement on Closer Economic Relations (PACER). The decline has been slowed also by the ingenuity of dedicated diplomats, aid officers, and defence personnel who have maintained New Zealand's constructive presence despite limited resources.

So New Zealand's ability to exercise an influence on South Pacific security events is still substantial, particularly relative to its small size, because the magnitude of plausible threats is still manageable. New Zealand's location, history, demography, cultural affinity, economic links, and people with experience, skill and commitment are all enduring assets, moderating the parsimony of the present Government. Furthermore, the Government's defence and budget

announcements in May 2001 are potentially positive for South Pacific policy. Hopeful signs include the Government's commitment:

- 1) To continue maritime surveillance in the region in cooperation with Australia and France;
- 2) To upgrade the Orion fleet (albeit modestly) and equip it with anti-ship missiles;
- 3) To maintain two operational frigates;
- 4) To acquire new Navy vessels with potential to keep up a presence in the region; and
- 5) To keep up the current level of diplomatic personnel and aid allocations devoted to the South Pacific.

It is possible that in five years or so New Zealand will be able to restore its maritime presence in the islands to near its previous level. In the interim, the prospect remains one of muddling through, with officials hoping that the demands made of the New Zealand Government by island contingencies, and by partner governments, don't exceed the modest and shrinking capacity to respond. If the region remains benign, or neglected by those who would exploit its weaknesses, New Zealand, working with Australia and like-minded governments, can cope.¹⁶ If not, New Zealand increasingly will have to rely on others. This will not be a comfortable posture for traditionally conscientious and self-reliant New Zealanders.

¹⁶ A recent review of terrorism, drug trafficking, piracy, unregulated migration, and spread of disease cited no examples from the Pacific island region. Peter Chalk, *Non-Military Security and Global Order: The Impact of Extremism, Violence and Chaos on National and International Security* (Houndmills: Macmillan, 2000).

Climate Change and Small Island States: Environmental Security as National Security

By Eric Shibuya

Introduction

Discussion of the potential consequences of climate change is one of extremes. Its impact has been compared to that of nuclear war.¹ It has also been called benign, and may even have benefits for human society.² There is even a segment of the population that question whether climate change is really being impacted by human behavior, and finally those who question whether climate change is happening at all. Faced with such an incredible disparity in the debate, developing an international agreement to address climate change would be difficult enough. However, factoring in other issues such as national sovereignty, economic development, and intergenerational equity may make a meaningful discussion, much less agreement, on addressing the human impact on the atmosphere all but impossible.

For larger countries, developed and developing, climate change mitigation and adaptation issues have generally been measured in economic terms. Carbon dioxide (CO₂) is the most prominent gas in the human contribution of greenhouse gases (GHGs) into the atmosphere. The major cause of the rise of CO₂ in the atmosphere is the increased combustion of fossil fuels since the industrial revolution. Although advances have been made in the area of alternative energy sources, the easiest and clearest path towards industrialization (or the maintenance of economic growth) today remains heavily dependent on fossil fuel use. Therefore, any reduction in emissions can easily be tied in the popular and political imagination to a reduction in a country's economy. It is fair to say that for most countries, a reduction of greenhouse emissions would correspond to an economic downturn. For developing countries, lacking in advanced technologies

¹ Christopher Flavin, "Slowing Global Warming: A Worldwide Strategy," (Washington D.C.: Worldwatch Institute, 1989), p. 19.

² See Robert C. Balling, "Global Warming: Messy Models, Decent Data, and Pointless Policy," in *The True State of the Planet*, ed. Ronald Bailey (New York: The Free Press, 1995).

by definition, this is practically a truism.³

However, smaller nations, especially island states, generally take a different view of the potential threat posed by climate change. For island states, the potential consequences of climate change can be considered a traditional security concern—a concern over a country’s territorial integrity. Whether through the rising sea or via more frequent and intense cyclones, the island states view climate change as a threat to their very existence. The difficulties associated with reconciling the economic concerns of larger nations and the security concerns of the small island states do not leave a lot of room for optimism, but surrendering and doing nothing is not a viable option for the island states.

When considering islands, many view the difference between islands and other states as simply one of size. Islands are considered “mini-continents,” where policies used in larger nations need only be scaled down to apply to island states. This is a fundamental misreading of the uniqueness of an island as an ecosystem. One only has to consider, for example, the ratio of coastline to total land area to see the stark difference between islands and continental landmasses.⁴

The factors involved in evaluating climate change as a security issue are not only scientific in nature. Indeed, the science may actually be the easy part. Rather, the evaluation of the threat of climate change must consider many social and political factors as well. The establishment of the Kyoto Protocol in 1997 was hailed as a sign of hope that the world would seriously address the issue of greenhouse emissions. Four years later, the new Bush Administration announced that the United States was abandoning the Protocol due to its negative impact on the US economy. This announcement triggered the temporary suspension of negotiations on implementation of the Kyoto Protocol. Although the resumption of those negotiations has “saved” the Protocol, its implementation will occur without the participation of the United States.

³ Not to mention major oil producing nations who have an obvious economic interest in fossil fuel use.

⁴ Patrick D. Nunn et al., “Coastal Issues for Oceanic Islands: Implications for Human Futures,” *Natural Resources Forum* 23 (1997), p. 196.

Evaluating Climate Change: Threat or Uncertainty?

Climate change as a scientific and policy issue has spawned a veritable cottage industry of literature. With a few exceptions, the general trend in the scientific literature seems to be a greater belief in the anthropogenic forcing of climate change.⁵ The 1995 Summary Report of Working Group I of the Intergovernmental Panel on Climate Change (IPCC) concluded that there is a “discernible human influence on global climate.”⁶ What policy implications come from that scientific conclusion is really the question here. This question centers on the perceived risks and potential costs in alleviating those risks. Victor describes different points of view on climate change ranging from doing nothing to avoiding a known threshold of emissions.⁷ He argues that governments in most developed nations fall somewhere in between, as while there is increasing belief that climate change is a real danger, there is no real agreement on the severity of that risk. In contrast to the risks, there are clear indications of the costs involved in reducing greenhouse emissions. It is estimated that an emissions trading program implicit within the Kyoto Protocol allocates emission permits amounting to over US\$2 trillion internationally.⁸ The resulting transfer of funds would mostly go to Russia and the Ukraine. That point in and of itself would face major political obstacles in the United States.

A change in the earth’s climate has many potential consequences. While the imagery of rising seas and drowning islands may garner the headlines,⁹ that steady rise is not the most immediate threat. Rather, the greatest threats probably lie at the extremes of weather events, with the increasing frequency and intensity of cyclones.¹⁰ Events such as these will probably cause significant damage to

⁵ As an example of those exceptions, see “NZ Scientist Says Global Warming a Misreading,” *The Press*, November 29 2000. In contrast, Ross Gelbspan has questioned the motivations of some of the climate change “contrarians” Ross Gelbspan, *The Heat Is On: The High Stakes Battle over Earth’s Threatened Climate* (Reading: Addison-Wesley Publishing, 1997).

⁶ Intergovernmental Panel on Climate Change (IPCC), *Climate Change 1995: The Science of Climate Change: Summary for Policy Makers* (WMO and UNEP, 1996), p. 11.

⁷ David G. Victor, *The Collapse of the Kyoto Protocol and the Struggle to Slow Global Warming* (Princeton: Princeton University Press, 2001), p. 98.

⁸ *Ibid.*, p. 26 - 28.

⁹ Nicholas D. Kristof, “For Pacific Islanders, Global Warming Is No Idle Threat,” *New York Times*, March 2 1997, *PNG’s Takuu Islands Sinking* [Website] (Pacific Islands Report, May 4 2001 [cited May 5 2001]); available from <http://pidp.ewc.hawaii.edu/pireport/2001/05-08-07.htm>.

¹⁰ John E. Hay, “Climate Change and Small Island States: A Popular Summary of Science-Based Findings and Perspectives, and Their Links with Policy” (paper presented at the 2nd Alliance of Small Island States (AOSIS) Workshop on Climate Change Negotiations, Management and Strategy, Apia, Samoa, 26 July to 4 August 2000)

islands before the trend of the rising seas becomes unavoidable. These twin threats are also not exclusive of each other, as the rising sea level means that the relative impact of tropical storms and monsoons will be greater, regardless of whether or not they have increased in absolute intensity. Further, rising sea levels have other effects, such as shrinking the freshwater lens of an island's artesian water supply and hurting crops such as coconuts and breadfruit.¹¹ An effort to attach a financial cost to some of these impacts has been done by an insurance agency. Dr. Andrew Dlugolecki, a climate change specialist with CGNU (the sixth largest insurance company in the world), has warned that the cost of major disasters may outstrip global GDP by 2065, bankrupting the world economy.¹² (There has also been an interesting call on the part of the President of Kiribati, who has urged the Pacific Island Forum states to reconsider their opposition to nuclear energy).¹³

Concern exists on the part of the island states that their landmasses are already sinking, but there is some argument on whether inundation for some island states is a cause of rising seas or sinking islands. While the recorded measurements are nowhere near long enough to give a conclusive answer, early results from the South Pacific Sea Level and Climate Monitoring Project suggests that shifts in vertical land movement do not account for observed sea level trends.¹⁴ There are, then, reasons to believe that rising seas due to climate change do threaten the territory of island states, and human activity is contributing to that threat.

There is a somewhat perplexing phenomenon in evaluating the threat of climate change in that it is viewed as a threat principally for island states, but not necessarily for islands (or other low lying states), as odd as that might sound. In

¹¹ *Kiribati Delegate Says Country Is Suffering from Rising Sea Levels* [Website] (Pacific Islands Report, April 18 2001 [cited April 20 2001]); available from <http://pidp.ewc.hawaii.edu/pireport/2001/April/04-20-13.htm>, Nick Nuttall, "Islanders Ready for Pacific Evacuation," *The Times*, November 29 1997.

¹² Paul Brown, "Islands in Peril Plead for Deal: Climate Change Low-Lying Countries Call for Action and Aid to Cope with Effects of Rising Sea Levels and Storms," *The Guardian*, November 24 2000.

¹³ *Kiribati President Tito Calls on Pacific to Revise Nuclear Stand* [Website] (Pacific Islands Report, February 26 2001 [cited February 27 2001]); available from <http://pidp.ewc.hawaii.edu/pireport/2001/February/02-27-02.htm>.

¹⁴ T.H. Aung, "Early Results from the South Pacific Sea Level and Climate Monitoring Project," in *Climate and Environmental Change in the Pacific*, ed. James Terry (Suva: School of Social and Economic Development, The University of the South Pacific, 1998), p. 44 - 45.

other words, concern for climate change (or the lack thereof) in the United States, for example, doesn't seem especially different in Honolulu as it is in Denver. However, the threat of climate change does not simply strike small island states alone, but low-lying areas and other islands, such as those that are "part of" larger, and richer, countries. The negative consequences of climate change must be dealt with not only by Kiribati and Tuvalu, but also Hawai'i and Manhattan. The threat does not only confront low-lying areas in Bangladesh, but areas such as New Orleans, Miami, and Malibu. Overall, however, this idea does not seem to resonate very strongly within the developed world, and in the United States in particular. Until and unless climate change achieves that kind of popular interest and focus, asking a populace to accept significant changes to their lifestyle and consumption patterns may be next to impossible. It goes without saying that most people are adverse to absorbing costs now for benefits in the future when those benefits are either 1) far forward in one's time horizon, or 2) if there is some perceived uncertainty that taking costs now will really mean benefits in the future.

Addressing Climate Change: International Responses

While uncertainty on the part of the scientific community on many issues in the climate change debate does exist, this uncertainty should not automatically translate into political inaction. The so-called "precautionary principle" has been recognized in international environmental agreements. Principle 15 of the Rio Declaration states that a "lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation." Of course, the key term in that statement may be "cost-effective," but the precautionary principle, while not a completely accepted part of international law, does codify the idea that policy need not wait for scientific certainty. Second, and perhaps more important, the notion that policy decisions must wait for scientific certainty is patently untrue. The whole principle of the scientific method itself suggests that absolute, final truths are not there, that rather than moving closer to truth we move further from error.¹⁵ Perhaps more pragmati-

¹⁵ The question of the social construction of scientific knowledge falls in the realm of epistemology and is far too vast to go into here. I will only note here that atmospheric issues, and climate change in particular, has been a major source of this debate (see for example Karen Litfin, *Ozone Dis-courses: Science and Politics in Global Environmental Cooperation* (New York: Columbia University Press, 1994) and Sheila Jasanoff, "Science and Norms in Global Environmental Regimes," in *Earthly Goods: Environmental Change and Social Justice*, ed. Fen Osler Hampson and Judith Reppy (Ithaca: Cornell University Press, 1996).

cally, it is clear the time horizons of scientists and policymakers differ. In the study of the atmosphere, some effects/trends may not be really apparent for decades, perhaps centuries. Most politicians, and even business firms, cannot usually be so forward-looking. Finally, making decisions in an atmosphere of imperfect information is a fact of life. On that level, the problems facing politicians today on climate change are no different than the problems they face every day on a host of other issues. In situations such as this, politicians often look for analogous situations, where parallels can be drawn and lessons can be learned. The regime to eliminate ozone-depleting substances has been pointed to as just such a parallel for climate change, and has been the model for the development of a climate agreement. Unfortunately, it seems that the wrong lessons were learned from the ozone experience.

The international regime to address ozone depletion has been hailed as a major success in international environmental policy making,¹⁶ and since it deals with an atmospheric issue, it was considered the obvious model for developing a regime to address climate change. However, even before the Framework Convention on Climate Change (FCCC) was developed, scholars questioned whether the ozone negotiations in fact offered an appropriate pattern. Certainly, in comparison to international environmental agreements that came before, the ozone regime measures up very well. The shortcomings of the ozone comparison arise due to two major reasons. First, though both are “atmospheric” issues, there is a significant difference in climate change and ozone depletion as specific problems. Second, when one uses a standard of evaluation other than past environmental agreements, the ozone regime comes up short.

Morrisette highlights some significant differences between the ozone and climate change situations. He names three factors that benefited the ozone regime that may be problematic for the climate change issue:

1. The political will to act,
2. The manageability of the issue, and
3. Relative obscurity of the negotiations from the public.¹⁷

The political will to respond in the case of ozone depletion came about as a

¹⁶ Richard Benedick, *Ozone Diplomacy, New Directions in Safeguarding the Planet*, (Cambridge; Harvard University Press).

¹⁷ Peter M. Morrisette, “The Montreal Protocol: Lessons for Formulating Policies for Global Warming”, *Policy Studies Journal* 19, no. 2 (1991).

result of growing scientific consensus and the support of the major players (states and industries). The political will necessary to reach a meaningful agreement on ozone depletion is related to the manageability of the issue. While ozone-depleting chlorofluorocarbons (CFCs) are useful compounds, they are not a necessity to human existence. Just prior to negotiations for the Montreal Protocol, spokespersons for the DuPont corporation (inventor and world's leading producer of CFCs) announced that substitutes for CFCs could be available if market conditions warranted such.¹⁸ In contrast, carbon dioxide, the primary anthropogenic GHG, is the unavoidable consequence of the use of fossil fuels, most especially oil and coal. Barring a technological advance of miraculous proportions (cold fusion, for example), there is practically no way that a policy that requires a reduction in emissions will not mean significant behavioral shifts on the part of advanced industrial societies.

Skeptics have made much of the large amount of scientific uncertainty when it comes to climate change. They point to the problem of feedbacks from certain phenomena (clouds are the most notable example) that are not accurately mirrored in the massive General Circulation Models (GCMs) that form the basis of much of the scientific discussion on climate change. It is argued that the GCMs are not accurately reflecting what is happening in the atmosphere and should not be taken as a tool for policy making. Policy should not be made on the basis of uncertain computer models. Interestingly, the experience in the ozone regime was exactly the opposite:

The model projections underlying the control provisions of the Montreal Protocol had assumed a probable global average ozone loss of around two percent by the middle of the twenty-first century. Now it was revealed that more than this had already occurred, and, indeed, that ozone depletion appeared to be accelerating with increased accumulation of atmospheric chlorine. The existing models had proved incapable of predicting either the chlorine-induced Antarctic phenomenon or the extent of ozone depletion elsewhere over the planet. They were therefore probably underestimating future ozone losses.

*Thus, the state of the science had fundamentally changed. A sense of uncertainty about the models' reliability made the future of the ozone layer seem even more precarious.*¹⁹

¹⁸ Ibid, p. 154.

¹⁹ Benedick, *Ozone Diplomacy: New Directions in Safeguarding the Planet*, p. 111, emphasis in original.

Again, the precautionary principle highlights that uncertainty should not preclude action, especially actions which would be “cost-effective.” However, the definition of cost effectiveness is contingent upon what is understood as the ramifications of inaction. If the consequences of unmitigated greenhouse gases in the atmosphere are perceived to be merely inconveniences (more humidity in Miami, for example), then there is little reason to institute a series of policies that will have an impact in the hundreds of billions of dollars. If the consequences are more significant, such as increased spread of disease, shifts in cyclone patterns, and the complete inundation of islands and low-lying areas, then the question of cost-effective measures needs to be reevaluated. In that sense, climate change issues are for islands quite simply an issue of national security.

Two true, but competing, facts are at the root of the dissension in the climate debate. First, it is a fact that the developed nations are responsible for the overwhelming majority of GHGs already in the atmosphere. Second, the atmosphere is a global commons; no single country can manage it. As such, stabilization of emissions and adaptation/mitigation of climate change effects will require work on the part of developed and developing nations. The first fact leads towards reasoning that, as the historically more culpable community, the developed nations must take the first step in reducing greenhouse emissions as a sign of their sincerity. The second fact points towards reasoning that for there to be truly effective mitigation of anthropogenic climate change, all nations will be required to play a role. However, any consideration of real targets and timetables of emission cuts for developing nations before the developed world has already implemented such has been criticized as “environmental colonialism.”²⁰ The Kyoto Protocol, which placed reduction targets and timetables on developed nations and no reduction commitments on the developing world, was an attempt for the developed nations to take that first real step in addressing climate change.

The Kyoto Protocol: An Assessment

With the entrance of the FCCC into force in 1995 meant that a “Conference of Parties” (COP) could be convened to give real meaning to the Convention.

²⁰ Anil Agarwal and Sunita Narain, *Global Warming in an Unequal World—a Case of Environmental Colonialism* (New Delhi: Centre for Science and Environment, 1990).

Initial meetings in Berlin in 1995 and Geneva in 1996 brought forth a pledge that a Protocol detailing pledges for definite emission reductions and timetables would be ready for signature by the third COP scheduled for Kyoto in 1997. Some optimism appeared when the US announced it would be willing to consider “differentiation,” allowing for different reduction targets for individual developed nations. However, the initial proposal from the United States was the most conservative one put forward, calling for a return to but not a reduction from 1990 emission levels. This was soon followed by a proposal calling for a 2% reduction by the US, a proposal that was met with much derision. When the gavel finally fell in Kyoto, it was announced that the US had pledged a 7% reduction from 1990 levels to be implemented between 2008-2012. The EU pledged an 8% reduction, Japan and Canada a 6% reduction, and Australia agreed to a maximum 8% increase. Rather than set a single target date for compliance, the agreement can be implemented over a span of time, thereby giving governments greater flexibility in working to reach their pledges.

The Kyoto Protocol was hailed as a success in international negotiation, and its apparent impending collapse now viewed a failure of political will on the part of developed nations, especially the United States. However, the criticism of the Protocol’s collapse is overstated. The sad reality is twofold. First, even the full implementation of the Protocol would have been meaningless in terms of overall GHG emissions. Second, and perhaps sadder point, a closer reading of the Protocol would show a document doomed from the very beginning.

The full implementation of the obligations in the Protocol would mean a total reduction of greenhouse emissions of 5.2% below 1990 levels by the obligated countries. However, scientists argue that cuts of 60-80% are required simply to stabilize the atmosphere at current levels, due to the delayed effect of emissions that have not made it up to the upper atmosphere.²¹ This point in and of itself illustrates the chasm between science and policy in terms of the perception of risk.

Second and more importantly, the Kyoto Protocol came into being due to several eleventh-hour pieces of negotiation and compromises. However, while there were many promises and targets in the Protocol, there is very little in terms of how to achieve those goals. By 1998, the United States was already 11% over

²¹ Brown, “Islands in Peril Plead for Deal”

1990 levels,²² and the achievement of reaching stabilization to 1990 levels, much less reduction below the 1990 baseline, seems highly problematic, especially if the reduction is to be achieved completely within US borders. Without an emission trading program, it is highly unlikely that any developed nation will be able to meet its reduction targets under Kyoto, but as was previously noted, such a trading program will mean massive transfers of money to developing nations and/or nations in transition, especially Russia and the Ukraine. Such a transfer will have few supporters in the US Senate, for example. Agreement was reached on the Kyoto Protocol by deferring the difficult decisions to the future. COP5 deferred those key implementation questions for the next meeting.²³ The breakdown of discussions at COP6 at the Hague suggests that many countries are not ready to deal with those difficult questions yet. Faced with the breakdown of the Kyoto regime, island states will have to consider other avenues for action.

Policy Options for Island States

The island states have long been concerned about the potential consequences of a change in climate. In 1990, island states from the Pacific and Indian Oceans and the Mediterranean and Caribbean Seas formed the Alliance of Small Island States (AOSIS) to work as a unified voice to bring the issue of climate change to the international agenda.²⁴ Their draft proposal for a protocol, which called for a 20% reduction from 1990 emission levels by 2005, proved to be politically unviable at the negotiations in Kyoto. While many writers have pointed to AOSIS as a significant force in the climate negotiations, this influence has dropped significantly since the high points of Rio 1992 and COP1 in Berlin 1995. As the moderate targets of the Kyoto Protocol are unlikely to be reached,

²² Victor, *The Collapse of the Kyoto Protocol and the Struggle to Slow Global Warming*, p. 126 - 128.

²³ Michael Grubb, Christiaan Vrolijk, and Duncan Brack, *The Kyoto Protocol: A Guide and Assessment* (London: Royal Institute of International Affairs, 1999), p. 255.

²⁴ The academic and analytical literature on AOSIS is fairly sparse. See generally W. Jackson Davis, "The Alliance of Small Island States (AOSIS): The International Conscience," *Asia-Pacific Magazine*, no. 2 (1996), Leo I. Heileman, "The Alliance of Small Island States (AOSIS): A Mechanism for Coordinated Representation of Small Island States on Issues of Common Concern," *Ambio* 22, no. 1 (1993), Eric Shibuya, "'Roaring Mice against the Tide": The South Pacific Islands and Agenda-Building on Global Warming," *Pacific Affairs* 69, no. 4 (1996), Roslyn E. Taplin, "International Policy on the Greenhouse Effect and the Island South Pacific," *Pacific Review* 7, no. 3 (1994). For an insider's view see John W. Ashe, Robert Van Lierop, and Anilla Cherian, "The Role of the Alliance of Small Island States (AOSIS) in the Negotiation of the United Nations Framework Convention on Climate Change (UNFCCC)," *Natural Resources Forum* 23 (1999).

the larger cuts called for in the AOSIS Protocol cannot now be seriously considered. While AOSIS continues to carry the moral voice in the climate debate, its member states should also consider other policies related to climate change.

Although small island states are minor emitters of GHGs, they should still evaluate their energy use in an effort to increase the efficiency of that use, as well as investigate alternative energy sources. Because some fossil fuel use is unavoidable, the island states should pursue policies that encourage and ensure the efficiency of that use. Also, regardless of the environmental consequences of fossil fuels, the high transport costs make a consideration of alternative energy sources by island states sensible fiscal policy.²⁵ Thirdly, strong consideration should be given to alternative energy sources, especially wind and solar energy. For example, a May 21 report on Radio Australia's Pacific Beat Daily mentioned a wind power project on Mangaia in the Cook Islands.²⁶ The monitoring station is there and a station could be installed as early as next year. In addition a solar power project was installed on Pukapuka in the Cooks in 1992 and is doing quite well. The political value of small island states instituting such alternative energy policies and thereby reducing their emissions could be a significant card to play, adding to the moral weight AOSIS already carries.

Next, there needs to be serious consideration of adaptation policies. Ambassador Slade, current chair of AOSIS, remains committed to the ratification of the Protocol, even if the Protocol leads to reductions too small to be noticed. Recognizing that there are already significant amounts of GHGs that have not impacted the atmosphere yet, Slade notes that only by adapting to the inevitable change in climate will the island states survive.²⁷ Proposals for adaptation include ideas such as building sea walls to protect the islands from the rising tide. The cost of building sea walls around several hundred tiny islands will undoubtedly be significant.

²⁵ Bisnodat Persaud, "Alternative Energy Sources for Small Island Developing States," in *Small Islands, Big Issues: Crucial Issues in the Sustainable Development of Small Developing Islands* (Tokyo: United Nations University Press, 1995).

²⁶ *Pacific Beat Daily* [Radio Broadcast] (ABC Radio Australia, May 21 2001 [cited May 21]; available from <http://www.abc.net.au/ra/pacbeat/pbeat.ram>).

²⁷ William Wallis et al., "Poor Nations Bear Heat of Climate Conference Failure: Developing Countries Had Hoped for an Accord at the Hague for Aid to Help Stem the Dangers Caused by Global Warming," *Financial Times*, November 30 2000.

In addition to adaptation policies, some countries are looking into other issues, notably preparing for the worst. Kiribati has, for example, reserved its right under international law to pursue compensation for losses due to climate change.²⁸ Tuvalu has petitioned Australia and New Zealand for the right to resettle should the seas rise, though they have been refused by Australia.²⁹ The Republic of the Marshall Islands has already begun drawing up its evacuation plan.³⁰ Under the current relationship between the US and the Marshalls, Marshallese are able to travel into the United States without a visa, a privilege that will no doubt be put to the test if the entire 50,000+ population of the Marshalls enters nearly simultaneously.³¹

Conclusion

The unfortunate conclusion to be drawn from the climate negotiations so far is that, barring a major crisis event that can be directly tied to a changing climate, the prospects of a truly effective climate agreement are very dim. An often-used analogy describing the role of small island states in the climate change debate is that of the “canary in the coal mine.”³² Miners would bring a caged canary down with them into the mineshaft. Because the bird was much more sensitive to gas fumes, it would serve as an early warning system for the miners, who would exit the shaft when it was noticed that the canary was acting more lethargic, stopped singing, or had even fallen unconscious or dead. The analogy suggests that the small islands may play this role for larger nations in confronting climate change. This, however, takes the point of view of the miners; no one often looks at this from the perspective of the canary. The unfortunate point of the analogy is that the miners aren’t concerned about the canary until the canary,

²⁸ Frank McDonald, “Making the Poor Pay. The Global Costs of Climate-Related Natural Disasters Have Doubled Every Decade, from \$50 Billion in the 1960s to \$400 Billion Today. In the Next 20 Years, Another 245 Major Disasters Are Predicted. The Cost, Writes Frank McDonald, Environment Editor, Cannot Be Calculated,” *Irish Times*, December 28 2000.

²⁹ *Australia Refuses Refuge to Sinking Tuvaluans* [Website] (Pacific News Service, July 19 2001 [cited September 17 2001]); available from http://www.countrywatch.com/files/177/cw_pf_wire.asp?vCOUNTRY=177&UID=527328, *NZ Likely to Respond to Tuvalu Resettlement Request* [Website] (Pacific News Service, July 20 2001 [cited September 17 2001]); available from http://www.countrywatch.com/files/177/cw_pf_wire.asp?vCOUNTRY=177&UID=527832.

³⁰ Nuttall, “Islanders Ready for Pacific Evacuation.”

³¹ This privilege also applies to the other states that have a Compact of Free Association with the US: The Federated States of Micronesia and Palau.

³² Leo A. Falcam, “An Early Warning by Pacific Islands to the Mighty,” *International Herald Tribune*, August 16 2001.

at the very least, stops singing. The island states are calling out now, but by the time those warnings have meaning for other nations, it may be too late for the islands themselves.

The Southern Bluefin Tuna Dispute: Implications for Tuna Resource Management for Island States

By Yoichiro Sato

Introduction

Australia, New Zealand, and Japan in April 2001 agreed to launch a joint research of southern bluefin tuna. Quota allocation for southern bluefin tuna and Japan's unilateral experimental fishing programmes since 1998 had been sources of diplomatic contention among the three countries. The impasse over these issues led to delays in comprehensive development of the international management regime and effective implementation of Japan's trade law to curtail non-member fishing and exports of southern bluefin tuna. Uncertainties about the status of stock recovery played upon by domestic politics of Australia also contributed to the impasse. The breakthrough came as a result of refocusing on the trilateral regime as the principle venue of dispute resolution and the increasing challenge against the regime by non-member fishing. The joint research will improve scientific understanding of the tuna stock and may open further path of cooperation.

Australia and New Zealand had opposed Japan's request for an increased fishing quota for southern bluefin tuna (SBT) since 1995 and its unilateral experimental fishing programs (EFPs) since 1998. Australia with a pessimistic projection of stock recovery advocated a quota freeze, whereas New Zealand also with a pessimistic projection advocated a quota reduction. The three-party Commission for the Conservation of Southern Bluefin Tuna (CCSBT) was unable to effectively solve the dispute. In response to Japan's EFP, Australia and New Zealand imposed a call-port ban on Japanese tuna boats in 1998. Negotiations within the CCSBT prolonged due to its consensus requirement, and Japan announced another EFP to catch up to 2,200 tons in 1999. Australia and New Zealand brought the dispute out of the CCSBT to the International Tribunal for the Law of the Sea (ITLOS), asking for its compulsory jurisdiction. The ITLOS's interim injunction approved the request by Australia and New Zealand that tuna catches in Japan's experimental fishing in 1999 be counted toward its annual quota, but the ITLOS later ruled in favor of Japan's appeal that it lacked jurisdiction over

the case, thereby voiding the interim decision. Thus, the case was back in the CCSBT. Although the following special meeting of the CCSBT in mid-November 2000 failed to set a total allowable catch (TAC) for SBT, the meeting was much more cooperative this time than the previous four years. Designing a joint research program with international scientists was agreed upon, and New Zealand lifted the call-port ban. After a series of working group meetings, the three countries agreed to launch a joint experimental fishing program in April 2001, moving the CCSBT process out of the five-year long impasse. Australia also agreed in principle to lift the call-port ban following the CCSBT meeting in April 2001, despite the opposition from the domestic tuna fishing industry.

The significance of the southern bluefin tuna case as the first fishery case to be dealt with by the ITLOS attracted attention of several international law scholars.¹ However, their studies paid little attention to “politics” behind the supposedly scientific international management process and the problem of collective action from which the management regime has suffered. The recent dispute is significant in two regards. First, a clear consensus on the depleted state of the SBT stock that led to past cooperation had disappeared, due to the stock recovery. Second, Australia’s SBT fishing industry had gone through a major transformation as a result of the introduction of the individual transferable quota (ITQ) system.²

¹ Such legal studies include: Barbara Kwiatkowska, “International Decision: Southern Bluefin Tuna (New Zealand v. Japan; Australia v. Japan), Order on Provisional Measures (ITLOS Case Nos. 3 and 4),” *American Journal of International Law* 94(1) (2000), 150-155; Kwiatkowska, “International Decision: Southern Bluefin Tuna (Australia and New Zealand v. Japan). Jurisdiction and Admissibility,” *American Journal of International Law* 95(1) (2001), 162-171; Moritaka Hayashi, “The Southern Bluefin Tuna Cases: Prescription of Provisional Measures by the International Tribunal for the Law of the Sea,” *Tulane Environmental Law Journal* 13(2) (2000), 361-386; Robin Churchill, “The Southern Bluefin Tuna Cases (New Zealand v. Japan; Australia v. Japan): Order for Provisional Measures of 27 August 1999,” *International and Comparative Law Quarterly* 49(4) (2000), 979-990; Kristina Legget, “The Southern Bluefin Tuna Cases: ITLOS Order on Provisional Measures,” *Review of European Community and International Environmental Law* 9(1) (2000), 75-79; Julia Baldock, “Determining the Fate of Southern Bluefin Tuna—International Tribunal for the Law of the Sea (1999) New Zealand v Japan; Australia v Japan,” *Environmental and Planning Law Journal* 17(3) (2000), 157-164; Francisco Orrego Vicuna, “From the 1893 Bering Sea Fur-Seals Case to the 1999 Southern Bluefin Tuna Cases: A Century of Efforts at Conservation of the Living Resources of the High Seas,” *Yearbook of International Environmental Law* 10(1999), 40-47; Malcom D. Evans, “The Southern Bluefin Tuna Dispute: Provisional Thinking on Provisional Measures?” *Yearbook of International Environmental Law* 10(1999), 7-14; Howard S. Schiffman, “The Southern Bluefin Tuna Case: ITLOS Hears Its First Fishery Dispute,” *Journal of International Wildlife Law and Policy* 2(3) (1999), 318-333.

The issue of experimental fishing was closely tied to the quota dispute among Australia, Japan, and New Zealand. The dispute over experimental fishing at the state-to-state level was a game in which pseudo-conservationist Australia and conservationist New Zealand and more utilitarian-oriented Japan argued over whether such research was necessary and, if so, who would pay for it. This first game was also tied with the second game between the three member countries of the management regime and non-members. The latter's increasing tuna catches have undermined the regime's conservation efforts, possibly increasing the cost of non-cooperation in the first game.

This article will first review historical and legal aspects of the international management of southern bluefin tuna. It will then shed lights on politics of tuna fishing and trade that poses "practical" problems to the international management. Finally, the article will draw lessons from the case, applicable to tuna resource management for the island states.

Highly Migratory Species

Australia and New Zealand's extended assertion of sovereign control over the open sea started when New Zealand legislation established a 9-mile fishery zone beyond its 3-mile territorial sea in 1965, followed by a similar Australian act in 1967. A major turning point for Japan's fishing activities in the region came when most coastal nations, including New Zealand and Australia, declared 200-nautical mile exclusive economic zones (EEZs) in the late 1970s.³ Japanese fishing within the EEZs of the two countries became subject to quota allocation and licensing, annually reviewed by the host governments, although highly migratory species like tuna were caught both inside and outside the national EEZs.

Southern bluefin tuna, like its Atlantic cousin, is valued for its flesh for *sashimi* (raw cuts). Although numerous countries including Australia and New Zealand

² David Campbell, Debbie Brown, and Tony Battaglene, "Individual transferable catch quotas: Australian experience in the southern bluefin tuna fishery," *Marine Policy* 24(2000), 109-117; David James, "Environmental Incentives: Australian Experience with economic instruments for environmental management," Environmental Economics Research Paper No.5, consultancy report commissioned by Environment Australia, 1997 (particularly section 11.5); Gerry Green and Mark Nayar, "Individual transferable quotas in the southern bluefin tuna fishery: an economic appraisal," *Marine Resource Economics* 5(4) (1988), 365-388.

³ Tsuneo Akaha, *Japan in Global Ocean Politics* (Honolulu: University of Hawaii Press, 1985), 51-57.

engage in catching SBT, most of the fish end up in the Japanese market. SBT, like other tuna species, is highly migratory, having no respect for national borders. Its known distribution and migratory patterns stretch from southern Indian Ocean (south of South Africa) to South Pacific (east of New Zealand) mainly between 30 and 50 degrees south, well beyond Australia and New Zealand's (EEZs). Juvenile SBT born south of Java migrate southward along the western coast of Australia before heading east toward New Zealand or west toward South Africa. SBT faced a heavy pressure of commercial fishing, which amounted to annual 80,000 tons of catch by the early 1960s. Therefore, comprehensive management of the SBT stock requires cooperation among Australia, New Zealand, Indonesia (whose fishing ground includes the only known spawning area of SBT south of Java), and other high-sea fishing countries that target SBT (Japan, Taiwan, and South Korea).⁴

The 1982 United Nations Law of the Sea (UNCLOS) convention provides a general blueprint for regional fishery regimes on the fishing of highly migratory species. Australia, Japan, and New Zealand had imposed voluntary quotas on SBT catches by their own nationals since 1985, and the existing agreement was formalized to establish the trilateral Commission for the Conservation of Southern Bluefin Tuna (CCSBT) in 1994. Although Japan has been catching the largest tonnage among the three countries, Australia has consistently caught a larger number of fish. Australia's catching of juvenile fish had a disproportionately adverse impact on the SBT stock.⁵ Australia and New Zealand's SBT fishing take place almost entirely within their own EEZs. In contrast to Australia, Japan and New Zealand have used longlines to catch SBT. Japan's fishing boats mostly operate in the international water,⁶ except a small amount of catch in Australian and South African EEZ under fee licensing.

The CCSBT has two somewhat contradictory purposes: conservation and

⁴ CCSBT, Fact Sheet [www.home.aone.net.au/ccsbt/facts.html].

⁵ Fishery Agency (Japan), *Minami maguro shigen ni kansuru chosa gyokaku keikaku no igi* [Significance of the research fishing of Southern Bluefin Tuna]. Several factors seem to contribute to this pattern. First, young SBT are exposed to Australian EEZs. Second, until the early 1980s, no conscious effort to reduce the catch of juvenile fish took place. Third, most Australian fishing of SBT has used purse seine driftnets that indiscriminately trap the whole school of fish, as opposed to the longline fishing by some east coast fishermen targeting bigger fish. The west coast fishery using purse-seine nets supplied tuna for canned products: a wasteful way to use potentially more valuable SBT. Fourth, since late 1990s, fishermen in Port Lincoln (South Australia) started feedlot operations to raise 2-3 year old SBT caught by the purse seine drift nets. The domestic quota holdings shifted from the West and East to Port Lincoln (South) under the individual transferable quota scheme.

optimal utilization of southern bluefin tuna.⁷ At a general level, Australia and New Zealand's desire for sovereign control of the stock results in a conservative bias in their estimates, whereas Japan's status as a country having been forced to retreat from high seas fishing results in a utilitarian bias. Australia and New Zealand's advantageous geographical locations for call-port accesses have large impacts on economics of the Japanese fishing and give the former countries some diplomatic leverage.

South Korea, not a member of the CCSBT, has targeted and caught increasing amounts of SBT, growing from 119 tons in 1994 to 1,562 tons in 1998, and this resulted in the three CCSBT members' cooperation to bring that country into the regime. South Korea in 1998 expressed its intention to accept a 1,000-ton quota allocation in return for joining the CCSBT, but later demanded a higher quota of 1,500 tons, arguing that it was unaware of the existing level of catch.⁸ South Korea denies the allegation that it increased the SBT catch in order to establish *fait accompli* to claim a higher quota, but admits that the economic crisis since late 1997 contributed to the catch increase.⁹ Japan's major frustration was that the quota cut it has taken since 1989 was replaced by the increasing South Korean catches outside the CCSBT regulation, and delay in admission of South Korea into the CCSBT reduces the chance of Japan reclaiming its lost share, even if the SBT stock recovers. South Korea set a voluntary quota of 1,600 tons for the year 1999, but a Korean delegate to the CCSBT meeting in March 2000 indicated that its catch was expected to increase to 2,000 tons for the year 2000.¹⁰ Taiwan catches the largest amount of SBT among the non-CCSBT nations, although most were thought to be by-catches while targeting albacore

⁶ Barbara Kwiatkowska, "International Decision: Southern Bluefin Tuna (New Zealand v. Japan; Australia v. Japan), Order on Provisional Measures (ITLOS Case Nos. 3 and 4)," *American Journal of International Law* 94(1), 2000, 154.

⁷ Convention for Conservation of Southern Bluefin Tuna, Article 3 [www.home.aone.net.au/ccsbt/conventi.html].

⁸ CCSBT, Report of the Sixth Annual Meeting (First Part), 29-30 November 1999, Canberra [[www.home.aone.net.au/ccsbt/CCSBT6\(1\)HTML/CCSBT6\(1\)MAIN.html](http://www.home.aone.net.au/ccsbt/CCSBT6(1)HTML/CCSBT6(1)MAIN.html)].

⁹ CCSBT, Report of the Sixth Annual Meeting (Second Part), 21-23 March 2000, Canberra [[www.home.aone.net.au/ccsbt/CCSBT6\(2\)Rpt.html/CCSBT6\(2\)Main1.html](http://www.home.aone.net.au/ccsbt/CCSBT6(2)Rpt.html/CCSBT6(2)Main1.html)].

¹⁰ CCSBT, Report of the Sixth Annual Meeting (First Part), 29-30 November 1999, Canberra, Attachment F [[www.home.aone.net.au/ccsbt/CCSBT6\(1\)HTML/CCSBT6\(1\)AtchF.html](http://www.home.aone.net.au/ccsbt/CCSBT6(1)HTML/CCSBT6(1)AtchF.html)]; CCSBT, Report of the Sixth Annual Meeting (Second Part), 21-23 March 2000, Canberra [[www.home.aone.net.au/ccsbt/CCSBT6\(2\)Rpt.html/CCSBT6\(2\)Main1.html](http://www.home.aone.net.au/ccsbt/CCSBT6(2)Rpt.html/CCSBT6(2)Main1.html)]. The actual catch for 2000 later reported to the CCSBT was 980 tons.

tuna.¹¹ Taiwan has submitted an application to join the CCSBT. Article 13 of the CCSBT currently limits its membership to “states,”¹² and the People’s Republic of China would oppose admission of Taiwan. Nevertheless, Taiwan’s inclusion is becoming more likely as the CCSBT has established an expanded commission within the Commission and opened membership in the former to “countries and entities,” and Taiwan says it is willing to work “on an equal footing with the Members of the Commission.”¹³ Taiwan claims to have also abided by a voluntary quota of 1,450 tons since 1996,¹⁴ but Japanese trade data shows import of southern bluefin tuna from Taiwan to be higher than that figure.¹⁵ Indonesian fishing of bigeye and yellowfin tunas takes place within its 200-mile EEZs, which include the only known spawning area of SBT, and result in a major loss of large adult fish as by-catches or otherwise. One estimate of Indonesia’s catch of SBT in 1997 was 2,241 tons. Despite the Indonesian expression of interest in joining the regime during the November 2000 meeting, its participation to the CCSBT process has been limited to sending observers.¹⁶

Stock Assessment

The major disagreement between Australia and Japan has been in the assessment of the stock recovery. The CCSBT’s aim is to restore the SBT parental mass to the 1980 level by the year 2020. To achieve this aim, the total allowable catch (TAC) for the three member countries has been kept at 11,750 tons since 1989.¹⁷ Japan’s request for an increased quota since 1995 has been rejected by the other two members. The stock assessment is based on such data as catch per unit effort (CPUE—such as the number of fish caught per 1,000 hooks) and age composition of the caught fish (catch-at-age). The assessment models are based on multiple hypotheses to interpret the data, and each country assigns different

¹¹ CCSBT Scientific Committee, Report of the 1998 CCSBT Scientific Committee, 3-6 August 1998, Tokyo [www.home.aone.net.au/ccsbt/Sc98Main1.html].

¹² Convention for the Conservation of Southern Bluefin Tuna, Article 13 [www.home.aone.net.au/ccsbt/conventi.html].

¹³ CCSBT, Report of the Special Meeting, 16-18 November 2000, Canberra [www.home.aone.net.au/ccsbt/SpecialMeet00.html]; interview with a Japanese Fishery Agency official.

¹⁴ CCSBT, Report of the Sixth Annual Meeting (First Part), 29-30 November 1999, Canberra, Attachment H [[www.home.aone.net.au/ccsbt/CCSBT6\(1\)HTML/CCSBT6\(1\)AtchH.html](http://www.home.aone.net.au/ccsbt/CCSBT6(1)HTML/CCSBT6(1)AtchH.html)].

¹⁵ Interview with a Japanese Fishery Agency official. A suspect scenario is that the Taiwanese fishing companies operating flag-of-convenience (FOC) vessels are exporting their tuna to Japan, which does not appear in Taiwan’s national export statistics, but appears in Japan’s import statistics.

¹⁶ CCSBT Scientific Committee, Report of the 1998 CCSBT Scientific Committee, 3-6 August 1998, Tokyo [www.home.aone.net.au/ccsbt/Sc98Main1.html].

¹⁷ CCSBT, Fact Sheet [www.home.aone.net.au/ccsbt/facts.html].

weights to each hypothesis. This creates discrepancies in the stock estimates and the stock recovery projections. The Japanese delegates to the CCBST have objected to the Australian and New Zealand assessments of the SBT stock on grounds that they assign heavier weights to the hypothesis that the areas from which no data was available had no fish and therefore underestimate the overall stock size. Instead, Japan has claimed that the commercial tuna fleets in recent years operated shorter days and covered narrower areas of water due both to increased regulations¹⁸ and recovered stock,¹⁹ and the lack of data from the areas that were not fished should not be taken as absence of tuna there. Australia strictly defines SBT maturity as twelve years and over, thereby deliberately underestimating the recovery of the parental stock, whereas Japan insists on using eight years as the maturing point, a conventional view among the world biologists. Prior to the 1998 EFP, Japan's estimated probability of SBT stock recovery by the year 2020 ranged between 24 to 76 percent, and Australia estimated between 7 and 65 percent, using weighting schemes agreed among the participants in 1997. Use of each country's preferred weighting widened the gap: Japan 87 percent and Australia 9 percent.²⁰ Japan repeatedly insisted that the CCSBT Science Committee should bring in external scientists in order to objectively assess the research methods used by its members, but Australia and New Zealand argued that external scientists should be brought in only as needed, determined by the general meeting of the CCSBT, where they could block Japanese initiatives.²¹

Experimental Fishing Program

Japan since 1995 has suggested a joint experimental fishing program (EFP). EFPs that rely on methods other than data submissions by the freely operating commercial fishermen incur additional costs to the participating countries. Despite the politely worded general agreement among the three parties on the necessity of an EFP, Australia and New Zealand continued to criticize the Japanese EFP proposal, alleging that the proposed research areas were highly concentrated in the known fishing grounds, and that the research proposed by

¹⁸ Fishery Agency (Japan), *Minami maguro shigen*.

¹⁹ Yuichiro Harada, Federation of Japan Tuna Fishery's Co-operative Associations, interview, 12 December 2000, Tokyo; Fishery Agency (Japan), *Minami maguro shigen*.

²⁰ CCSBT Scientific Committee, Report of the 1998 CCSBT Scientific Committee, 3-6 August 1998, Tokyo [www.home.aone.net.au/ccsbt/Sc98Main1.html].

²¹ CCSBT Scientific Committee, Report of the 1998 CCSBT Scientific Committee, 3-6 August 1998, Tokyo [www.home.aone.net.au/ccsbt/Sc98Main1.html].

Japan would yield little new information. However, they stopped short of engaging in constructive debates over the design of the EFP, and subsequently Japan unilaterally implemented its own EFP between July and August 1998. Japan's EFP in 1998 added 1,400 tons on top of its annual quota of 6,065 tons that was last agreed in 1997. The data obtained from this activity was also reported to the Science Committee of the CCSBT, but Australia and New Zealand refused to admit the data. According to a Japanese calculation, inputting the newly obtained data from the 1998 EFP into the three countries' stock assessment models, estimate of the stock recovery reached an 80 percent confidence level using the Japanese and New Zealand models, and 60 percent using the Australian model.²²

In addition to the desire for sovereign control of SBT, the Australian domestic system of transferable catch quotas has been the source of its conservative stock estimate and reluctance to conduct a joint research program. When annual national quotas were introduced in the mid-1980s, the Australian quota was almost entirely given to Port Lincoln fishermen based on their past catch records and recent investments. The individual quotas were made transferable, and this transfer mechanism eliminated inefficient canning of small SBT. The east coast longline tuna fishing industry targeting larger SBT lost its quotas due to the disappearance of the SBT from the region and the resulting sales of the quotas. The returning East Coast longliners have had to lease quotas in the domestic market. In the 1990s, Port Lincoln fishermen in cooperation with Japanese trading companies started feedlot operations to raise young SBT caught by purse-seine nets. Their interest was to use a part of the quota for the feedlot operations and lease the unused portion to the East Coast fishermen in a tight monopoly market. As the feedlot operations grew to become Southern Australia's first export industry, it was likely that their lobbying of the Australian government became influential. The stock recovery claimed by Japan since the mid-1990s and a prospect of national quota increase for Australia would have disturbed the domestic quota allocation, because a larger national quota would broaden the margin between the quota for feedlot use and the national quota and thereby suppress the lease value of the unused individual quotas. Even worse (from the Port Lincoln point of view), East Coast fishermen would demand direct quota allocation by the Australian government.

²² Fishery Agency (Japan), *Minami maguro shigen*.

In comparison, New Zealand allows an open access by its nationals to the SBT fishery within its national quota, simply mandating general fishing licensing and specific reporting of the SBT catch data. There is no feedlot operation, and SBT is predominantly caught by longliners. This homogeneity within the domestic SBT industry makes New Zealand a more consistent conservationist than Australia.

International Law and Politics

CCSBT's dispute resolution first relies on consultation among the member states, and second on the International Court of Justice or arbitration if all parties to the dispute consent.²³ The arbitral tribunal, if called, will consist of three arbitrators: the disputing parties appoint one arbitrator each, and they jointly appoint the third arbitrator from a country that is neither theirs nor the first two arbitrators'. In case of disagreement, the third arbitrator can be appointment by the Secretary-General of the Permanent Court of Arbitration upon either party's request.²⁴ The consensus-oriented mechanism of dispute resolution within the CCSBT has posed a limit to Australia and New Zealand's efforts to block the Japanese EFPs through the CCSBT mechanism.

In response to Japan's 1998 EFP, Australia and New Zealand called for consultation within the CCSBT. In a meeting in December, the parties agreed to:

- 1) Plan a joint EFP with advice of independent scientists,
- 2) To establish the EFP Working Group for that purpose,
- 3) To submit EFP proposals by 22 January 1999,
- 4) And to finalize the 1999 EFP for the endorsement by the Commission.

However, during the four EFP Working Group meetings between February and April 1999, Australia and New Zealand delayed their submissions, and their proposals lacked concrete plans. Australia also back-peddled from earlier agreements and introduced a new proposal, which Japanese thought threatened consistency in data accumulation and was inefficient.²⁵ In May 1999, Japanese

²³ Commission for the Conservation of Southern Bluefin Tuna (CCSBT), *Convention for the Conservation of Southern Bluefin Tuna*, Article 16 [www.home.aone.net.au/ccsbt/conventi.html]. Accessed on 29 March 2001.

²⁴ CCSBT, Annex for An Arbitral Tribunal [www.home.aone.net.au/ccsbt/conventi.html]. Accessed on 29 March 2001.

²⁵ Fishery Agency (Japan), *Minami maguro shigen*.

ambassadors met with Australian foreign minister and New Zealand vice-minister for foreign affairs and trade, but no agreement was reached in these meetings. Japan in June implemented another EFP of its own. In August 1999, Australia and New Zealand took the case of Japanese experimental fishing to the ITLOS. This move raised a legal question of whether compulsory jurisdiction of ITLOS over CCSBT existed. In the following month, the ITLOS issued its provisional ruling that all fishing (including that for scientific purposes) must be conducted within the CCSBT-sanctioned national quota, favoring Australia and New Zealand's argument. New Zealand Minister of Foreign Affairs and Trade Don McKinnon and Minister of Fisheries John Luxton claimed a victory by calling the ITLOS decision a "landmark decision."²⁶ However, the ruling also mandated the three countries to immediately resume negotiations on the quota allocation, stock assessment, and non-member catches.²⁷ Japanese Foreign Minister Masahiko Koumura commented "Japan would like to resume negotiations without delay with Australia and New Zealand so that EFP (Experimental Fishing Program) can be conducted jointly and hopes that the two countries will respond to this positively."²⁸

The lack of progress on developing a joint EFP was partly due to the strong domestic conservationist lobby in Australia and New Zealand. However, the two countries' governments have also resisted the conservationists' pressure to list SBT as an endangered species whose trade would be regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), also known as the Washington Treaty. Australia and New Zealand were trying to let Japan carry out the research within its own quota, because neither their governments nor the public were supporting an increased TAC for joint research, yet diverting a part of their own commercial catch quotas for the research was economically unacceptable. Japan, instead of diverting a part of its commercial fishing quota for unprofitable research, decided to comply with the 1999 ITLOS provisional decision by canceling the

²⁶ Ministry of Foreign Affairs and Trade (NZ), 'Landmark Decision: New Zealand Tuna Fishing Case', joint statement on 22 September 1999 by the Ministry of Foreign Affairs and Trade and the Ministry of Fisheries, *Ministry of Foreign Affairs and Trade* 8(3), August 1999, p.34.

²⁷ Ministry of Foreign Affairs and Trade (NZ), 'Landmark Decision'.

²⁸ Ministry of Foreign Affairs (Japan), 'Statement by Foreign Minister Masahiko Koumura on the International Tribunal for the Law of the Sea's Order on the Request for Provisional Measures concerning Japan's Experimental Fishing Program on Southern Bluefin Tuna', 27 August 1999 [www.mofa.go.jp/announce/announce/1999/8/827.html]. Accessed on 22 February 2001.

remainder of its 1999 EFP and the entire 2000 EFP.²⁹ Meanwhile, Australia and New Zealand failed to negotiate a joint EFP in good faith during the rest of the year. Despite Japan's insistence that a discussion on joint EFP be scheduled at the November 1999 CCSBT meeting, Australia and New Zealand declined that agenda.³⁰

Japan challenged the jurisdiction of the ITLOS on the dispute, and the three parties agreed to have this dispute heard by an Arbitral Tribunal to be administered by the International Center for Settlement of Investment Disputes (ICSID). The ITLOS decision was voided in August 2000 when the Arbitral Tribunal (made of five arbitrators from the United States, Japan, New Zealand, Norway, and the Philippines) determined with a four-to-one majority that the Tribunal lacked jurisdiction over the SBT case filed by Australia and New Zealand. Although the ruling did not completely exclude the ITLOS jurisdiction over SBT issues (as Japan insisted), it did not see satisfactory reasons to warrant compulsory ITLOS jurisdiction over the CCSBT on this specific case (which Australia and New Zealand demanded). New Zealand Justice Sir Kenneth Keith (appointed on the recommendation of Australia and New Zealand) cast the only dissenting opinion.³¹ Japan's Foreign Minister Yohei Kono issued a cautious statement in response to the ruling: "The award only indicates that the case should have been submitted to a tribunal constituted under the Convention for the Conservation of Southern Bluefin Tuna. We should therefore recognize that there has been no judgment on the merit of the case regarding the appropriateness of Japan's own EFP (experimental fishing program)."³² This statement reiterated Japan's position that the dispute must be handled within the CCSBT and aimed at bringing Australia and New Zealand back into cooperative stock management efforts.

²⁹ Daily Yomiuri On-Line, 7 August 2000 [www.yomiuri.co.jp/newse/0807so05.htm]. Accessed on 7 August 2000.

³⁰ CCSBT, Report of the Sixth Annual Meeting (First Part), 29-30 November 1999, Canberra [[www.home.aone.net.au/ccsbt/CCSBT6\(1\)HTML/CCSBT6\(1\)MAIN.html](http://www.home.aone.net.au/ccsbt/CCSBT6(1)HTML/CCSBT6(1)MAIN.html)].

³¹ International Centre for Settlement of Investment Disputes, ICSID News Release, *Arbitral Award in the Southern Bluefin Tuna Case (Australia and New Zealand v. Japan)*, 7 August 2000 [www.worldbank.org/icsid/bluefintuna/pressrelease2.htm]. Accessed on 5 April 2001

³² Ministry of Foreign Affairs (Japan), 'Statement by Foreign Minister Yohei Kono on the Award on Jurisdiction and Admissibility on the Southern Bluefin Tuna Case rendered by the Arbitral Tribunal constituted under Annex VII of the United Nations Convention on the Law of the Sea', 7 August 2000 [www.mofa.go.jp/announce/announce/2000/8/807.html]. Accessed on 9 August 2000..

Trade regulations

An estimate of the tuna import from the FOC fishing vessels amounts to 47,000 tons, as opposed to the total sashimi import of 283,000 tons in 1998.³³ The Mitsubishi Trading, Co. and its affiliates handle the largest volume of tuna import. The Fishery Agency's over ten years of verbal requests to Japanese trading companies to voluntarily refrain from importing SBT from FOC boat owners were met by Mitsubishi demanding such administrative guidance to be in writing.³⁴ The Japanese bureaucracy has often used verbal guidance in cases where such guidance might have exceeded the legislated government authority. In the case of the SBT management, delays in the development of international law have clearly hindered the Japanese government's ability to enforce some provisions of the domestic law.

Since SBT's market is almost exclusively in Japan (unlike other tuna species used for globally marketed canned products), Japan's trade regulation is critical in preventing unregulated fishing. This is a particularly important point for management of the SBT because Taiwan, South Korea and Indonesia are the top three exporters of tuna to Japan. Nearly a half of the *sashimi* (raw cut) tuna in the Japanese market was imported by the mid-1990s.³⁵ However, unilateral trade restrictions, such as import ban, in the absence of legitimating international law would have exposed the Japanese government to compulsory dispute resolutions at the World Trade Organization. Prior to the launching of the WTO, the International Commission for the Conservation of Atlantic Tunas (ICCAT) in 1993 passed a resolution (introduced by Japan) to adopt an action plan, setting the scope and procedures for national governments' legislation and enforcement against FOC tuna trade. Backed by the ICCAT resolution, the Japanese Diet (parliament) in June 1997 passed the Tuna Management Act. The Act mandated the government in case other countries' activities had adverse effects on the conservation efforts:

- 1) To request necessary measures by the international conservation management organizations,
- 2) And to request improvement in the activities of the relevant countries.

The Act also authorized the government to:

³³ 'Naniwa bushi', p. 73.

³⁴ 'Naniwa bushi', p. 74.

³⁵ Women's Forum for Fish, 'Japan and the world Tuna Market', Gyo, 3 January 1999, p. 15.

- 3) Restrict imports of tuna from such countries, if the request was not met within a reasonable amount of time,
- 4) And collect information from tuna fishermen, distributors, processors, and their trade organizations, with a maximum fine of 300,000 yen for non-compliance and false reporting.³⁶

After six years of investigations and consultations with the alleged FOC host countries to join the regime that were prescribed in the action plan, ICCAT in November 1999 published a list of 345 FOC vessels, owners, and sixteen host countries, and passed a resolution that called for restraints on trading companies from importing, the shipping companies from transporting FOC tuna, and manufacturers of marine equipment from equipping and repairing the FOC vessels. Based on the ICCAT list, Japan's Fishery Agency issued a written administrative guidance, requesting the domestic companies not to import FOC tuna and mandating reporting of information (such as the name of the vessel that sold tuna and the quantity of import) by the traders.³⁷ In March 2001, facing with the problems of renaming of the FOC vessels and their changing national registrations, an additional administrative communication by the Fishery Agency added to the reporting requirement proof of previous name and registration of the vessel, from which tuna was imported.³⁸ The December 1999 administrative guidance subjected non-compliant importers to penalties under both the Tuna Management Act (for reporting duties) and the Custom Law (for actual importation), and therefore imports from FOC countries, such as Belize and Honduras, are technically banned. Thus, the groundwork for import restrictions (such as investigation and identification of the FOC vessels, hosts, and activities, and consultations with the FOC hosts for improvement of domestic regulations and entry into the international management regime) has progressed through the ICCAT.³⁹ However, violations by smaller trading companies seem to have continued.

In contrast, paralysis in the CCSBT delayed adoption of international measures

³⁶ *Maguro shigen no hozon oyobi kanri no kyouka ni kansuru tokubetsu sochihou*, 21 June 1996, Law number 101. Obtained at courtesy of the Fishery Agency.

³⁷ Director of Fishery Agency, "*Ogata haenawa gyosen no ihou, muhoukoku, mukisei na gyogyo katsudou ni taisuru saranaru koudou wo motomeru ICCAT ketsugi ni motozuku gyokakubutsu no toriatsukai tou ni tsuite*," administrative guidance number 2916, 15 December 1999.

³⁸ Fishery Agency, Far Sea Division, "*Bengi chiseki gyosen ga gyokaku shita magurorui no toriatsukai ni tsuite*," administrative communication, 13 March 2001.

against the FOC countries, which was pre-requisite to the Japanese government's adopting import restrictions. The weakness of the CCSBT exposed the Japanese government to potential domestic lawsuits by the importers of FOC tuna and complaints to the World Trade Organization (WTO) by the FOC countries, should Japan take a restrictive measure.⁴⁰ Despite the Fishery Agency's position that its administrative guidance based on the ICCAT list applied to all FOC fishing activities (including that of SBT), there was an indication that Japanese trading companies were more compliant with the request in regard to Atlantic bluefin tuna (ABT—regulated under the ICCAT) than SBT. Mitsubishi's reply to the Federation of Japan Tuna Fisheries Cooperative Associations (on the latter's request to the former to cease importing FOC tuna, dated 29 September 1999) stated the company's policy of not importing ABT from FOC sources but failed to extend the same guarantee to SBT.⁴¹ This difference seems attributable to the difference in the degrees of evolution of the two international regimes.

Japan submitted an action plan during the CCSBT meeting in November 1999, which was similar to the one adopted by the ICCAT. The CCSBT adopted the action plan during its meeting in March 2000.⁴² CCSBT's seventh meeting (April 2001) identified FOC host countries of Cambodia, Equatorial Guinea, Honduras, and Belize, based on the action plan. Failure on the part of these countries to take appropriate measures to curtail FOC activities within a reasonable amount of time will result in CCSBT's authorization for member states to take trade restrictions against tuna imports from these countries, which opens

³⁹ 'Naniwa bushi, part 2', p. 70.

⁴⁰ The United States in 1990 banned import of tuna products from Mexico and other "intermediary" countries that processed Mexican tuna under its Marine Mammal Protection Act, in order to reduce the by-catch of dolphins by tuna fishermen using the purse seine driftnets. Mexico challenged the US decision in a General Agreement on Trade and Tariffs (GATT) panel and won in 1991. A similar challenge was launched by the European Union (EU) in 1992, and the second GATT panel largely upheld the findings of the first panel in 1994. Neither panel reports were officially adopted due to US opposition. See World Trade Organization, "Beyond the Agreements: The Tuna Dolphin Disputes" [www.wto.org/english/thewto_e/whatis_e/tif_e/bey5_e.htm]. The United States implemented a consumer labeling regulations instead, banning use of the term "dolphin safe" on products that did not conform its domestic standard for lowering dolphin casualty.

⁴¹ 'Naniwa bushi', p. 74.

⁴² CCSBT, Report of the Sixth Annual Meeting (Second Part), 21-23 March 2000, Canberra [[www.home.aone.net.au/ccsbt/CCSBT6\(2\)Rpt.html/CCSBT6\(2\)Main1.html](http://www.home.aone.net.au/ccsbt/CCSBT6(2)Rpt.html/CCSBT6(2)Main1.html)]. A copy of the Action Plan is found in Attachment I [[www.home.aone.net.au/ccsbt/CCSBT6\(2\)Rpt.html/CCSBT6\(2\)AtchI.html](http://www.home.aone.net.au/ccsbt/CCSBT6(2)Rpt.html/CCSBT6(2)AtchI.html)].

way for the Japanese government's sanction. However, it will take another request for cooperation to these four countries, and a follow-up assessment in about a year, before any import restrictions against them become a CCSBT agenda.⁴³

Imposition of restrictions on tuna trade would involve the jurisdiction of the Ministry of Economy, Trade and Industry (METI), whose clients included trading companies and manufacturing exporters that preferred free trade in primary products. Distant water fishery issues also involved the Ministry of Foreign Affairs (MOFA), whose consideration was more general and comprehensive and, to a large extent, resembled METI's WTO policy of promoting free trade. MOFA's fishery division closely worked with the Fishery Agency, but MOFA's involvement often compromised the latter's concerns.

Analysis

International environmental politics has often been explained in game theories. At least a part of the dispute described in the previous sections can be explained in a similar approach. The most famous analogy of sheep farming is useful here. When the land has a fixed grazing capacity to raise sheep, farmers who compete by introducing more sheep in order to maximize their individual returns will end up not reaching the optimal yield due to overstocking. Instead, cooperation (to limit the number of sheep) will enable optimal utilization of the land. The underlying assumptions here include:

- 1) The level of optimal utilization is known to the participants,
- 2) There is no cheater who covertly introduces sheep, and
- 3) All participants have free accesses to the resource.

The CCSBT suffers from shortcomings in the all three assumptions. Uncertainties about the state of SBT stock make cooperation more difficult. There has been a deliberate attempt on the side of Australia and New Zealand to keep the TAC lower than optimal at the expense of the Japanese share, and the bias in the stock assessment models have been exploited by their national scientists for this purpose (see Figure 5). Australia and New Zealand's allegation against the Japanese model to be overly optimistic may also have some truth, and indepen-

⁴³ Hisashi Endo, Deputy Director, International Affairs Division, Fisheries Policy Planning Department, Fishery Agency, e-mail to author, 22 May 2001.

dent scientists' views will be useful.

The difference in attitude between Japan on one side and Australia and New Zealand on the other stems from both differences in their historical backgrounds and the distribution pattern of SBT. Japan with a long experience of far-sea fishing for domestic consumption has been forced to retreat from international waters, as expanding national sovereign control by other coastal countries encroached upon Japan's previously open access. On the other hand, Australia and New Zealand have never had large domestic markets to optimally utilize the fish resources within their expanded 200-nautical mile EEZs. Their primary interests in the expanded EEZs are to increase exports and to develop the domestic fishing fleets to replace quota allocations to the foreign vessels. SBT fishing, therefore, has two characters: the sovereign fishing by Australia and New Zealand and the high sea fishing by Japan. This partially contradicts the third assumption of free accesses. The former two countries consider SBT as a partly "national" resource to be kept under-utilized, whereas Japan (whose EEZ does not have SBT) considers SBT as purely "common goods" to be optimally utilized within a sustainable limit.

Existence of significant non-member fishing activities also contradicts the second assumption. Taiwan's desire for diplomatic recognition has deterred it from being officially non-cooperative, as indicated by its voluntary quota on national vessels. At the same time, however, Taiwanese companies have run amok in pirating the global tuna resources outside the international regulations, disguising themselves under flags of convenience. Taiwanese government regulations to nationally re-register the FOC vessels have not produced concrete results yet. South Korea's raised demand for a 1,500-ton quota, after it capped its rising catch at 1,600 tons suggest that tough bargaining over quota allocation waits. Indonesia seems to be gaining time to build its fishing fleet before joining the CCSBT. Although there is no indication that any of the three CCSBT states engage in the final "buffalo hunt," FOC fishing is associated by short-term economic motivations of the Japanese traders. The regime's success or failure perpetuates itself, affecting the sensitive balance between believers and non-believers of sustainable international management. The Japanese government's policy seems consistent with the CCSBT's stated parallel goals of conservation and optimal utilization of SBT, despite the limit its domestic politics poses.

Conclusion: Lessons Applicable to the Island States

Sustainable utilization of fishery resources faces two enemies common to all fishing states: depletion from overfishing and pressure from dogmatic conservationists. When individual states are concerned, challenges come both from unregulated high sea fishing and expanding sovereign control of high sea fishing. Unregulated FOC fishing risks a danger of stock depletion, whereas overly strict regulations against the cooperative participants will likely destroy the cooperative framework itself. Increasing sovereign control over the previously common resources will not only entail conflicts between states, but also bring about an immediate question of practical enforcement.

The CCSBT has suffered from both internal and external “free-rider” problems. Internally, much needed joint research was stalled as a result of Australia and New Zealand’s conservation biases. Externally, the CCSBT suffered from unrestricted catch mainly by Taiwan, South Korea, and Indonesia, which might have amounted to 5,000 tons per year by 1998. Also, Japanese traders import FOC tuna without paying the cost of long-term environmental management.

The trilateral cooperation over SBT started as a negative-sum game. Faced with a clear decline of the resource due to the past over-fishing, Australia, Japan, and New Zealand took major cuts in their quotas. Under the 1989 TAC, Australia and New Zealand treated the SBT issue as a zero-sum game, in which one’s gain would automatically result in the others’ losses, hence the three countries maintained the status quo.

Mixture of the improving odds of stock recovery and the increasing volume of non-member catch presented a complex prospect for the CCSBT. As long as only the three original members were concerned, stock recovery was to turn the CCSBT process into a positive-sum game, in which all participants can partly reclaim their lost shares. On the other hand, quota allocations to new members may or may not entail reduction in the existing members’ quotas, depending on two uncertain factors: the size of the stock recovery and the outcome of the political bargaining. Despite the perceived stock recovery since the mid-1990s, Japan saw its lost share replaced by the increasing non-member catches, and an opportunity to bring Taiwan and Korea under multilateral control slipping away. On the other hand, Australia and New Zealand took a tough opposition to

Japan's request for an increased TAC due to lack of domestic support and desire for sovereign control of SBT.

The Australian linkage of licensing for EEZ fishing with the high seas quota (used against Japan) is an effective tool to induce non-member fishing states into the international management regime, although such a use may violate the spirit of the Law of the Sea, which in principle balances the coastal states' control of the living marine resources with the other states' access to the under-utilized resources. If used against a cooperative fishing states, this may backfire.

Tropical tunas, to which most island states are concerned, are normally harvested within their EEZs, largely for economic reasons. Their relatively lower prices do not make high seas fishing economical, although this may change. Orderly transfer of fishing capital and technology from the distant-water fishing states to the island states will assist the latter's development. Cooperation among the island states enhances their collective bargaining in this process. Call-port ban near the fishing ground also seems to be an effective tool, especially for tropical tunas whose lower sales values are more susceptible to the operational costs.

Improved assessment of the SBT stock as a result of the recent decision on a joint research will be a common long-term gain for all three members, regardless whether this leads to an immediate increase in TAC. On the issue of FOC fishing, the improved data may allow satisfactory quota allocations to the new members. Even if the data proves otherwise, pressure upon the FOC countries based on a more accurate data carries additional weight. Although developing island states may not have resources and expertise to conduct such research, their participation should be encouraged through subsidization by the high seas fishing states in order to enhance the credibility of and the consensus upon the research findings.

Japan's unilateral EFPs came only after repeated refusal by Australia and New Zealand to increase TAC and conduct a joint EFP. In contrast, Australia and New Zealand became more cooperative after they failed to settle the issue outside the CCSBT. De-politicizing the science committee process to set TAC and containing the inevitable politicking over quota allocations to the general meeting seem necessary. Also, clear boundaries of jurisdiction between overlapping dispute

resolution mechanisms seem important. The question of whether compulsory or voluntary arbitration is more effective has not been answered. To launch a new regime, however, a voluntary arbitration mechanism seems more acceptable to a large number of countries. If compulsory arbitration is to be introduced, the ruling body needs to be equipped with fishery expertise, and the current ITLOS is not an ideal place in this sense.

The case demonstrates that domestic system of distributing the catch quotas can have a biasing implication on the country's stock estimation. The transferable quota system in the Australian context is domestically discriminatory and works against international cooperation based on science. The same lesson would apply with a greater magnitude to the island states, where traditional fishing methods could be outcompeted by the modern fishing introduced from the developed countries. Unless the island state chooses to pursue pure economic efficiency, traditional fishing quotas need to be set separate from the modern fishing quotas.

Japan as the dominant market of raw cut tuna plays a critical role in trade regulations. The Japanese Fishery Agency has taken initiatives to curtail FOC fishing activities within the limits of both international and domestic laws, as well as domestic politics. As fishing companies globalize, and some of them choose to be renegades, the problem of high seas fishery resource management requires ever more complex coordination of domestic, regional, and global regulations and enforcement supported by a shared scientific knowledge and consciousness of sustainability. Action programs of the ICCAT and CCSBT provide models to emulate for other existing and emerging tuna regimes. Several island states have been implicated by these international bodies to be hosting FOC vessels. Whether this is due to underdevelopment of domestic laws or short-term profit motivations of their leaders, their actions are severely hurting both international cooperation and their own long-term benefits.

Transnational Crime and Island State Security in the South Pacific

By Andreas Schloenhardt

Transnational Crime in the South Pacific

The South Pacific nations are often portrayed as remote, peaceful island paradises with beautiful beaches, a relaxed lifestyle, tropical food and dancing. But many people do not realize that this region is facing the same problems and challenges that the rest of the world is struggling with, and that the South Pacific has been the center of nuclear testing, political turmoil, environmental degradation, massive migratory movements, and, more recently, growing levels of transnational crime.

With the restrictions of national borders declining and the increasing mobility of goods, money and services, transnational business opportunities, both legal and illegal, have received wider recognition and created new global markets. Growing levels of international air travel, high-speed telecommunication and internet services easily overcome geographical distances. The South Pacific is not excluded from these developments and the island nations now find themselves exposed to global market opportunities and competition.

But the economic opportunities offered by globalization are not exclusive to legitimate operations and organizations. There is growing evidence that organized crime systematically creates international structures and violates the legislation of more than one country to benefit from the changes in world markets and their regulations. Organized crime has quickly responded to the emergence of global trading by adapting organizational and operational structures to the challenges of transnational activities. In order to exploit illegal market opportunities in other countries and in different parts of the world, criminal organisations have learned to use the discrepancies that occur between different legal and financial systems to their best advantage.¹

¹ Sabrina Adamoli et al, *Organised Crime around the World* (Helsinki: HEUNI: 1998) VIII; M Cherif Bassiouni & Eduardo Vetere, "Organized Crime and its Criminal Manifestations" in M Cherif Bassiouni (ed), *International Criminal Law, Volume I: Crimes* (Ardsey: Transnational Publishers, (continued next page)

For obvious reasons, smaller and less populated countries have greater difficulties in coping with the globalization of crime. Economies that have little or no diversity in agricultural and industrial sectors are more vulnerable to fluctuations and recessions and to the challenges posed by global competition.² This problem is particularly evident in the South Pacific, where the economies and exports largely depend on a single source of income: Phosphate, for instance, has for a long time been the backbone of the Nauru economy. Up until now, nickel is the principal resource of New Caledonia. Fiji and Tonga are very dependent on tourism. Other countries, such as the Cook Islands, Kiribati, Marshall Islands and Vanuatu do not have many resources and industries for export or investment and depend on the financial aid they obtain from countries such as Australia, France, New Zealand, the United Kingdom and the United States.

The weakness and vulnerabilities of the South Pacific economies are the principal reasons why these nations have increasingly become the scene of transnational organized crime, particularly in the form of migrant trafficking, drug trafficking and money laundering. On the one hand, especially in times of recession or exhaustion of commercially viable resources, governments have become more lenient, less careful and in some instances simply ignorant towards the influx of people and foreign investment, leading to the infiltration of the local economy by criminal organizations. On the other hand, it has to be noted that both human and financial resources are limited in nations with only a few thousand citizens and no major industry. These circumstances do not allow the creation of highly specialized and sophisticated law enforcement agencies and the monitoring of all transits and transactions to and through these countries, thus becoming an easy target for trafficking and money laundering activities.

The increasing engagement of criminal organizations in global activities has brought with it a higher degree of sophistication and also reduced vulnerability

¹ (*continued*) 2nd ed, 1999) 883 at 888-889; Willard H Myers, "The Emerging Threat of Transnational Organized Crime from the East" (1996) 24 *Crime, Law & Social Change* 181 at 183; Vincenzo Ruggiero, "Transnational Crime: Official and Alternative Fears" (2000) 28 *International Journal of the Sociology of Law* 187 at 190-191; Ernesto U Savona et al, *Processi di Globalizzazione e Criminalità Organizzata Transnazionale* (Trento: TRANSCRIME, 1998) 2-4, 6-9; Phil Williams & Ernesto U Savona, *The United Nations and Transnational Organised Crime* (Portland: Frank Cass, 1996) 5.

² See Bassiouni & Vetere, note 1 above, at 896-900; Phil Williams, "Transnational Criminal Organisations and International Security" (1994) 36(1) *Survival* 96 at 109.

to investigations and prosecution by national law enforcement agencies. While criminal organizations have become increasingly transnational, law and law enforcement in the Pacific region have remained mostly local and national.

Simultaneously, the diversification of organized crime groups has expanded transnational crime into new areas. For example, criminal organizations engage in activities such as corruption or the provision of fraudulent documents to facilitate their operations. They also spread into other crimes to maximize their profit and use established trafficking routes for the smuggling of goods, money and people.

Migrant Trafficking

For centuries, people have migrated between the countries of the South Pacific region. Colonialism, indentured workers, refugee flows and labor migration in the South Pacific have shaped many nations and have exposed them to foreign influences and to the challenges of immigration and emigration.

What makes today's migration different to that of earlier centuries is that growing numbers of migrants have fewer opportunities to migrate legally. The global imbalance between income levels, socioeconomic standards, political stability and security, environmental protection and demographic developments has brought with it an attitude of hostility and protectionism among those nations that are more privileged. It has led many countries to close their borders and limit — and in some cases abandon — the intake of migrant workers and asylum seekers.

But if legal avenues are denied, people resort to alternative means and methods of migration, which they often find in the services offered by criminal trafficking organizations. Recent years have witnessed an increasing internationalization of migration accompanied by growing levels of organized trafficking. In response to persecution, poverty and unemployment in their home countries, and with the restrictions placed on legitimate migration systems, thousands of people are now moving illegally into other countries with the assistance of professional traffickers.

Capital can move freely around the world while people cannot. This mismatch

is playing into the hands of organized crime, which exploits this structural defect and the discrepancies in national laws and legal systems to their best advantage. Criminal organizations create illegal ways of migration by using clandestine methods of transporting people or by supplying sophisticated false documents, while exploiting those willing and/or forced to migrate.

Globalization has opened the doors for criminal organizations to easily access other countries and create transnational networks of trafficking routes with multiple modes of transporting illegal migrants. Not surprisingly growing interdependencies between countries have fostered cross-border migration in legal and illegal ways.³ As a result of the increasing global trade, investment and communication, migrant trafficking now involves criminal elements in many different countries: countries where the operations are planned, countries from which trafficked migrants originate, countries of embarkation, transit countries and destination countries. Trafficking organizations systematically exploit the discrepancies between different jurisdictions and legal systems. Their information schemes quickly find loopholes in law enforcement, border control and legislation in different countries.⁴ This enables the traffickers to adapt the trafficking routes to changing permeability of borders. Also, due to the increasing global trade, immigration and customs officers can only control a small proportion of the people and goods crossing international borders, which in return make it easier for criminal organizations to hide illegal transactions. The two major problems associated with migrant trafficking in the South Pacific are:

- 1) Identity document fraud
- 2) The fact that many of the island nations serve as transit points for trafficking operations from Asia to North America and Australia

Identity Document Fraud

Migrants, regardless of their country of origin and their legal status, need travel

³ Cf Myers, note 1 above, at 182-183; Sheldon X Zhang & Mark S Gaylord, "Bound for the Golden Mountain: The Social Organisation of Chinese Alien Smuggling" (1996) 25 *Crime, Law & Social Change* 1 at 2.

⁴ John Salt & Jeremy Stein, "Migration as a Business: The Case of Trafficking" (1997) 35(4) *International Migration* 467 at 477-478; John Salt, "The Business of International Migration" in Muhammed Abu B Siddique & Reginald Appleyard (eds), *International Migration into the 21st Century. Essays in Honour of Reginald Appleyard* (2001) 86 at 105.

documentation to move from one country to another. Such documents are required, for example, for visa applications, for obtaining passports and exit authorisations, for transportation by air, border controls and immigration clearance.

But it has to be recognised that the circumstances that cause people to flee their home countries often make it impossible for them to obtain genuine documents. Consequently, the services of transnational traffickers, particularly in the case of trafficking by air, frequently include the production and/or supply of fraudulent travel or identity documents. This has become a growing criminal activity, as the ability to migrate largely depends on the possession of the necessary documentation.

Trafficking organizations show a high level of sophistication and creativity in the ways in which they produce or obtain fraudulent travel documents. Photo-substitution, visa transposing and producing forged visas, residence permits and passports are particularly common. Investigations have also found that blank passports are stolen from local authorities, while issued passports are stolen from tourists and travel agencies. Finally, corrupt officials have been found providing passports to trafficking organizations.⁵

For example, Chinese nationals have been found traveling on fraudulent documents from Nauru and Tonga, which they used to illegally enter other countries.⁶ The Marshall Islands, for instance, a country with a population of only 69,000, experience large-scale illegal immigration from China, often involving the use of forged passports. Like several other countries in the region, the Marshall Islands has offered passports to Chinese in return for investment into the country. But when it was realized that this attracted too few investors, the investment requirement was dropped and almost immediately the passport

⁵ Cf Adam Graycar et al, "Trafficking in Human Beings" paper presented at the *3rd National Outlook Symposium on Crime in Australia*, Canberra, 22-23 Mar 1999, 8; Amy McAllen, "Non-Immigration Visa Fraud" (1999) 32 *Vanderbilt Journal of Transnational Law* 237 at 253-260; Andreas Schloenhardt, "The Business of Migration — Illegal Migration and Organised Crime in Australia and the Asia Pacific Region" (1999) 21(1) *Adelaide Law Review* 81 at 96-97; UN General Assembly, *Measures to combat alien smuggling. Report of the Secretary-General*, UN Doc A/49/350 (30 Aug 1994) para 7.

⁶ "Canada: Chinese Migrants" (1999) 6(10) *Migration News*, University of California, <http://migration.ucdavis.edu>.

sales went up. By the time the Marshall Islands Government stopped the selling of passports in 1996, about 1,200 registered passports had been issued under the scheme and according to the latest information, there are approximately 2,000 unaccounted passports.⁷ Similar cases have been reported in Manila, where ethnic Chinese arrived with Nauru passports that were sold to them in official and unofficial ways.⁸

Illegal Transit Migration

Changing methods of illegally moving people in response to legislative and law enforcement activities is essential for trafficking organization and for disguising their activities. Trafficking organizations successfully exploit loopholes in legislation, coastal surveillance and border controls, or simply cross borders at times when control points are short-staffed. Borders and other gateways may be temporarily closed or heavily controlled, thus requiring a change of routes via other countries. Consequently, traffickers may sometimes use simple and direct routes and at other times complex and circuitous ones.

Regarding the problem of transiting migrants, Papua New Guinea appears to be a major transit point for illegal migrants in the region. Recent investigations have found that asylum-seekers heading for Australia, New Zealand and Canada transit through Papua New Guinea in response to increased surveillance of the Torres Strait and the Tasman Sea. The migrants trafficked through Papua New Guinea appear to be mostly Chinese, Sri Lankan and Iraqi nationals.⁹ New Caledonia also reported the landing of two vessels with undocumented Chinese migrants in 1997.¹⁰ In March 2001, Fijian authorities confirmed the

⁷ Jack Jorban, "Republic of the Marshall Islands: Transnational Problems" paper presented at the *Transnational Security Threats in Asia* conference, Honolulu, 8-10 Aug 2000, 2; Ronald Skeldon, "The Relationship between Migration and Development in Asia and the Pacific" in Carunia M Firdausy (ed), *International Migration in Southeast Asia* (Jakarta: The Southeast Asian Studies Regional Exchange Program — The Toyota Foundation & The Southeast Asian Studies Program — Indonesian Institute of Science, 1998) 7 at 38-39.

⁸ Personal communication with Mr Angelito Q Tan, Chief of Intelligence Division, Bureau of Immigration, Department of Justice (Philippines), Canberra, 15 January 2001.

⁹ Mick Keelty, "Bilateral Cooperation in Cross-Border Crime: An Australian Perspective" in Beno Boeha & John McFarlane (eds), *Australia and Papua New Guinea: Crime and Bilateral Relations* (Canberra: Australian Defence Studies Centre, 2000) 76 at 78, 83; "Thailand: August 4" (1999) 6(8) *Migration News*, University of California, <http://migration.ucdavis.edu>; personal communication with Mr Tokam Kamene, Director General, National Intelligence Organisation (Papua New Guinea), Honolulu, 9 August 2000.

¹⁰ Personal communication with Ms Christine Capron, Chef de la Division Ressources, Direction de la Police Au Frontières en Nouvelle Calédonie, Canberra, 14 January 2001.

existence of a trafficking ring that smuggles Asian migrants through South Pacific nations.¹¹ As mentioned before, the Marshall Islands are affected by illegal immigration from China, and, to a lesser extent, from neighboring countries such as Kiribati and Tuvalu.¹²

Reports by US authorities show that the island of Guam also serves as a transit point for Chinese migrants on their way to North America and Australasia. For example, in 1998 and 1999 the US Coastguard in Guam detected 1,869 unauthorized migrants, all of them organized by Chinese traffickers. Guam offers the additional advantage of being a US territory and having fast and easy access to the US mainland.¹³

Money Laundering

In the last decade organized crime has become more sophisticated and increasingly transnational in nature. It has also become more profitable.

Criminal organizations must find ways of legalizing the proceeds of their crimes that are not reinvested in other criminal activities. This means that the illegal, 'dirty' money deriving from the commission of crime must somehow be disguised and moved away from any direct association with the offence so that it becomes indistinguishable from licit business profits, hence the term money laundering.

To disguise the money trail, assets deriving from criminal activities are transferred to countries which have less stringent banking regulations or which completely lack monitoring and control mechanisms for the banking and financial sectors. In many countries of the world the financial market is not adequately supervised by monetary or law enforcement agencies. Consequently, countries that have no or only marginal legislation to sanction money laundering

¹¹ "Authorities confirm existence of people smuggling ring" (2001) 5 *United Nations International Drug Control Programme: Eastern Horizons, News on the fight against drugs and crime in East Asia and the Pacific* 15.

¹² Jorban, note 7 above, at 2-3.

¹³ Data provided by the US Coast Guard, Law Enforcement and Intelligence Branch, Honolulu (15 August 2000) [on file with author]; and see Cleo J Kung, "Supporting the Snakeheads: Human Smuggling from China and the 1996 Amendment to the US Statutory Definition of 'Refugee'" (2000) 90 *Journal of Criminal Law and Criminology* 1271 at 1281.

and related offences are particularly attractive for and more vulnerable to the investment and transfer of illegally earned money.¹⁴

Furthermore, it has been found that criminal organizations transfer their money to countries that provide greater banking secrecy, lesser taxation of financial transactions, and which have privacy laws that protect account holders from investigations by national and international law enforcement agencies. Moreover, many countries still have few, if any reporting requirements for large-scale cash transactions. In countries that have these requirements, illegal transfers are simply made through a large number of small transactions (so-called 'smurfing') or by physically smuggling the money into countries where the provisions are less stringent.¹⁵ In some cases, criminal organizations were also found transferring money through non-banking financial institutions (eg bureaux de change) or non-financial businesses that are subject to fewer regulatory requirements than banks.¹⁶

Money Laundering in the South Pacific

For smaller countries that have little resources to compete in the global economy or that simply do not have the population to create and sustain large business enterprises, it has become particularly attractive to offer offshore financial services, and to open up the countries for foreign money transactions, often protected and facilitated by bank secrecy provisions and minor, if any tax regulations. Unfortunately, these countries are also particularly vulnerable to money laundering and the influx of illegally earned money as they often do not have the goodwill, the capacity and the personnel to monitor the transactions and institutions that are involved in international banking.

The island nations of the South Pacific are among the emerging offshore finance

¹⁴ Cf Bassiouni & Vetere, note 1 above, at 902; UN Commission on Crime Prevention and Criminal Justice, *Implementation of the Naples Declaration and Global Action Plan against Organized Transnational Crime. Report of the Secretary-General*, UN Doc E/CN.15/1996/2 (4 Apr 1996) paras 17 ff; Williams & Savona, note 1 above, at 5.

¹⁵ See Rick McDonnell, "Money Laundering Methodologies and International and Regional Counter-Measures" paper presented at the conference *Gambling, Technology and Society: Regulatory Challenges for the 21st Century*, Sydney, 7-8 May 1998, 5; Australia, National Crime Authority, *Taken to the Cleaners: Money Laundering in Australia, Volume 1* (Canberra: Australian Government Printing Service, 1991) 95.

¹⁶ See the examples in McDonnell, note 15 above, at 5, 7.

centers and tax havens. But they have also become a major hub for money laundering. A survey on the effectiveness of anti-money laundering measures completed in 2001 found that the financial regulations of many South Pacific countries have great loopholes: They do not adequately supervise financial institutions, only have rudimentary requirements for the authorization and registration of financial institutions and their managers, and provide too great banking secrecy to customers regarding their identity and the transactions they undertake. Moreover, some countries lack systems for the reporting of suspicious transactions, or they do not enforce these systems with administrative or criminal sanctions. Money laundering is not criminalised equally in all countries of the region; in fact, some jurisdictions do not criminalise the laundering of the proceeds from serious crime at all. Finally, it has been found that some countries are indeed unwilling to cooperate with law enforcement agencies and international organizations.¹⁷

In an attempt to identify the safe havens for money laundering, the Financial Action Task Force (FATF) identified 28 criteria that facilitate clandestine financial transactions, disguise account holders and the origins of funds, and pose significant obstacles for law enforcement and supervisory authorities. Among the countries that have been blacklisted by FATF are many of the South Pacific Island Nations.

Figure 1: FATF-Criteria to Identify Non-Cooperative Countries or Territories¹⁸

| Deficiency as identified by FATF | Cook | Marshall | Nauru | Niue |
|--|---------|----------|-------|------|
| | Islands | Islands | | |
| 2. Possibility for individuals or legal entities to operate a financial institution without authorization or registration or with very rudimentary authorization requirements. | • | | | |
| 3. Absence of measures to guard against holding of management functions and control of acquisition of a significant investment in financial institutions by criminals or their confederates. | • | | | |

¹⁷ Financial Action Task Force on Money Laundering (FATF), *Review to Identify Non-Cooperative Countries or Territories: Increasing the Worldwide Effectiveness of Anti-Money Laundering Measures* (Paris: FATF Secretariat, 1st ed, 22 June 2000) [hereinafter FATF (2000)]; Jonathan M Winer, “Replacing Safe Havens with a Safe System” (1999) 2(4) *Journal of Money Laundering Control* 353 at 354-356.

¹⁸ Financial Action Task Force on Money Laundering (FATF), *Review to Identify Non-Cooperative Countries or Territories: Increasing the Worldwide Effectiveness of Anti-Money Laundering Measures* (Paris: FATF Secretariat, 2nd ed, 22 June 2001) [hereinafter FATF (2001)].

| Deficiency as identified by FATF | Cook Islands | Marshall Islands | Nauru | Niue |
|--|--------------|------------------|-------|------|
| 6. Lack of a legal/regulatory obligation for financial institutions or agreements between supervisory authorities and financial institutions or self-agreements among financial institutions to record and keep, for a reasonable and sufficient time (five years), documents connected with the identity of their clients, as well as records on national and international transactions. | | | | • |
| 7. Legal/practical obstacles to access by administrative and judicial authorities to information with respect to the identity of the holders or beneficial owners and information with the transactions recorded. | • | | | • |
| 8. Secrecy provisions which can be invoked against, but not lifted by competent administrative authorities in the context of enquiries concerning money laundering. | • | | | • |
| 9. Secrecy provisions which can be invoke against, but not lifted by judicial authorities in criminal investigations relating to money laundering. | • | • | • | • |
| 13. Obstacles to identification by financial institutions of the beneficial owner(s) and directors/officers of a company or beneficiaries of legal or business entities. | • | • | • | • |
| 15. Laws or regulations prohibiting int'l exchange of information between administrative anti-money laundering authorities or not granting clear gateways or subjecting exchange of information to unduly restrictive conditions | • | • | • | |
| 16. Prohibiting relevant administrative authorities to conduct investigations or enquiries on behalf of, or for account of their foreign counterparts. | • | • | • | • |
| 17. Obvious unwillingness to respond constructively to requests. | • | • | • | • |
| 18. Restrictive practices in int'l cooperation against money laundering between supervisory authorities or between FIUs for the analysis and investigation of suspicious transactions. | | • | • | |
| 19. Failure to criminalise laundering of the proceeds from serious crimes. | | | | • |
| 20. Laws/regulations prohibiting int'l exchange of information between judicial authorities or placing highly restrictive conditions on the exchange of information. | • | • | • | |
| 21. Obvious unwillingness to respond constructively to mutual legal assistance requests. | | • | • | |
| 22. Refusal to provide judicial cooperation in cases involving offences recognized as such by the requested jurisdiction. | | • | • | |
| 23. Failure to provide the administrative and judicial authorities with the necessary financial, human or technical resources to exercise their functions or to conduct their investigations. | | • | | |
| 24. Inadequate or corrupt professional staff in either governmental, judicial or supervisory authorities or among those responsible for anti-money laundering compliance in the financial services industry. | • | • | | |

In June 2000, FATF found significant loopholes in the financial and banking regulations of the Cook Islands, Marshall Islands, Nauru and Niue.¹⁹ Moreover, all four countries were found to have regulations that create obstacles for investigations and international law enforcement cooperation.²⁰ Also, in the Cook Islands and Marshall Islands supervisory and judicial authorities along with their staff were under-resourced and could not exercise their functions and investigations adequately.²¹

The Marshall Islands, for instance, have 3,000 registered non-resident business companies that are protected by excessive secrecy provisions. The local banking regulations do not require the reporting of suspicious transactions, customer identification and the maintaining of transaction records. Moreover, the offshore business entities are effectively unsupervised and do not need to disclose any information about their CEOs, shareholders or customers. In July 2000, the US Department of Treasury issued an advisory warning for transactions involving the Marshall Islands. At the time, money laundering was not criminalised under Marshall Island law. The Marshall Islands Government, however, strongly defended its secrecy provisions against international criticism.²² But later, under the pressure of FATF and US intervention, a *Banking (Amendment) Act 2000* was enacted on 31 October 2000 that introduced a criminal offence for money laundering, and requirements for customer identification and reporting of suspicious transactions.²³

Niue, too, is a country with a comparatively small financial sector and small population (2,113, July 2000 estimate). However, there are 5,500 international business companies registered in Niue. Recent media reports stated that the country has internet gambling operations with close ties to activities of the Russian Mafia. In February 2001, investigations found connections to money laundering rings from Panama.²⁴ Given Niue's excessive secrecy provisions and its unwillingness to cooperate in money laundering investigations, neither

¹⁹ See items 2-11 in Figure 1.

²⁰ See items 12-22 in Figure 1.

²¹ See items 23 and 24 in Figure 1.

²² United States Department of the Treasury, Financial Crimes Enforcement Network, *FinCen Advisory: Transactions Involving the Marshall Islands*, Issue 20 (July 2000).

²³ FATF (2001), note 18 above, at 11.

²⁴ Agence France Press, *Pacific leaders snub Fiji in favour of money laundering tax haven* (23 February 2001); East West Center/Center for Pacific Island Studies, University of Hawaii, "Money Laundering Fears Surface in Fiji" (10 March 2001) *Pacific Islands Reports*.

national financial institutions nor domestic and foreign law enforcement authorities can obtain information about these companies and about the identity of the managers that stand behind them.²⁵

Nauru is often portrayed as the safest haven for money launderers in the South Pacific. Media repeatedly reported about connections between Nauru's financial institutions and money laundering rings operating in Russia and Australia. The tiny island atoll counts approximately 400 offshore banks that are registered to a single postbox and literally exist in name only. In 2000, FATF found that Nauru lacks "a basic set of anti-money laundering regulations, including the criminalisation of money laundering, customer identification and a suspicious transaction reporting system."²⁶ Even the Head of the Nauru Agency Cooperation, which is responsible for licensing financial institutions, proudly admitted that Nauru has the world's strongest secrecy provisions. Some major US banks withdrew from business relations with Nauru following the allegations made by FATF. International pressure amounted to an ultimatum to implement adequate anti-money laundering laws.²⁷ On 14 June 2001, an *Anti-Money Laundering Act* was introduced into Parliament and on 27 June 2001 the Government announced that the Act would be passed before the 30 September ultimatum.²⁸

The Cook Islands, Fiji, Samoa, Tonga and Vanuatu are other safe havens for tax evasion and money laundering in the South Pacific. For example, investigations have also found linkages between Russian organized crime and internet gambling operations in Tonga and Fiji.²⁹ In 1999, it has been reported that the Russian Mafia uses Samoa, the Cook Islands and Vanuatu for clandestine money transactions.³⁰ Vanuatu, however, has recently strengthened its anti-money laundering regime by enacting the *Financial Transactions Reporting Act 2000* following recommendations that have been made by the Offshore Group of Banking Supervisors (OGBS) in June 2000. Deficiencies, however, remain in

²⁵ FATF (2000), note 17 above, at 8; FATF (2001), note 18 above, at 12.

²⁶ FATF (2000), note 17 above, at 8; cf Winer, note 17 above, at 355.

²⁷ Christopher Nietzsche, "Low phosphate, but what a laundering!" (11-12 August 2001) *The Weekend Australian* 28.

²⁸ FATF (2001), note 18 above, at 13; University of Hawaii, "Nauru will meet anti-money laundering requirements: official" (27 June 2001) *Pacific Islands Report*.

²⁹ East West Center/Center for Pacific Island Studies, University of Hawaii, note 24 above; cf Adamoli et al, note 1 above, at 91; Jack A Blum et al, *Financial Havens, Banking Secrecy and Money-Laundering* (New York: United Nations, 1998) 29, 32; FATF (2001), note 18 above, at 17.

³⁰ Winer, note 17 above, at 354-355.

the area of the information on legal and business entities that is available to financial institutions.³¹

The particular difficulty in combating money laundering is that restrictions placed on international financial transactions can interfere with privacy and banking regulations. In this context it has to be noted that the world financial systems generally do not welcome the introduction of monitoring and control mechanisms, which intrude and restrain international banking activities. Countries with transparent and regulated banking sectors find themselves in competition with countries that are more lenient in their laws, or completely negligent towards the origins of transactions that go to and through their financial markets. Especially smaller nations in which the economy depends more heavily on the income generated by offshore banking services have little choice but to attract more customers by offering greater secrecy to and less control of financial institutions and the money located therein. At the same time, under-regulated countries face the danger of earning the reputation of ‘money launderettes’ thereby discouraging the investment of legitimate funds and becoming the target of external law enforcement pressures and diplomatic sanctions. The difficult balancing act for these countries is to provide safe and sophisticated banking services and reasonable tax concessions that are attractive for transactions and investment without simultaneously opening the door for illicit funds.³²

Regional and International Cooperation

The growth of transnational crime in the South Pacific and around the world urges nations to cooperate in regional and international fora and elaborate and implement adequate countermeasures. “To fight crime and win” the countries of the region have no choice but to join forces and coordinate their efforts to prevent and combat transnational crime effectively.

The interaction between law enforcement agencies, research environments, and political institutions at regional and global levels has started to bear fruit, though still at slow pace. In December 2000, the United Nations opened for signature the Convention against Transnational Organized Crime; a treaty, supplemented by three Protocols, which combined seek to be the major instruments against transnational organized crime in the twenty-first century. Other regional

³² Cf Blum et al, note 29 above, at 28.

platforms have been formed over the last decade to foster law enforcement and judicial cooperation and coordinate efforts to eradicate money laundering, migrant smuggling and drug trafficking.

The following Sections highlight some of the principal initiatives to combat transnational organized crime, migrant trafficking and money laundering.

United Nations Convention against Transnational Organized Crime

The idea of an international convention against organized crime arose at the United Nations World Ministerial Conference on Organized Crime, held from 21-23 November 1994 in Naples, Italy, which in its concluding statement:

*Expressed the urgent need for more effective international mechanisms to assist States and to facilitate the implementation of joint strategies for the prevention of and to combat organized transnational crime, and the further need to strengthen the role of the UN as a focal point in that field.*³³

In December 1994, the UN General Assembly approved the *Naples Political Declaration and Global Action Plan against Organized Transnational Crime*, adopted by the World Ministerial Conference,³⁴ which then opened the way for international cooperation against transnational organized crime at the UN level. In 1996, the UN General Assembly requested the Commission on Crime Prevention and Criminal Justice to consider, as a matter of priority, the elaboration of a convention against transnational crime.³⁵ In December 1998, on the recommendation of the Commission on Crime Prevention and Criminal Justice and the UN Economic and Social Council,³⁶ the UN General Assembly decided to create an open-ended intergovernmental ad-hoc committee open to all States including non-UN members

- 1) To elaborate a new comprehensive international convention against transnational organized crime; and
- 2) To elaborate three additional international legal instruments (or protocols) on:

³³ Reprinted in “The World Ministerial Conference on Organized Transnational Crime, Naples, Italy, 21-23 November 1994” (1995) 24/25 *United Nations Crime Prevention and Criminal Justice Newsletter* 18 at 18.

³⁴ UN General Assembly, Resolution 49/159 (23 December 1994).

³⁵ UN General Assembly, Resolution 51/120 (12 December 1996).

³⁶ UN Economic and Social Council, Resolution 1998/14 (28 July 1998).

- a. illegal transport and trafficking in migrants;
- b. illicit manufacturing of and trafficking in firearms, their parts and components and ammunitions [yet to be finalized]; and
- c. trafficking in women and children.³⁷

The first session of the Ad Hoc Committee was held in January 1999. The eleventh and final session was held in October 2000. A twelfth session to conclude the Firearms Protocol took place in March 2001.

131 countries of the 189 United Nations Member States, Switzerland and the European Community signed the *Convention against Transnational Crime* in Palermo, Italy in December 2000.³⁸

The key objective of the Convention is stated in Article 1: “The purpose of this Convention is to promote cooperation to prevent and combat transnational organized crime more effectively.” The Convention has two main goals: One is to eliminate differences among national legal systems. The second is to set standards for domestic laws so that they can effectively combat organized crime. Various provisions of the Convention are intended to provide instruments for law enforcement agencies, to encourage and coordinate prevention efforts, and to support and protect victims. Key provisions of the Convention include the criminalisation of participation in an organized criminal group (Article 5), criminalisation of money laundering (Articles 6, 7), criminalisation of corruption (Articles 8, 9), provisions on confiscation and seizure (Articles 12-14), extradition of offenders (Articles 16, 17), mutual legal assistance (Article 18), investigation and law enforcement cooperation (Articles 20, 26-29), and provisions on the protection of witnesses (Articles 24, 25).

Many of these instruments already exist in the domestic laws of member nations, but some countries do not have them. The Convention is intended to encourage those that do not have such provisions to adopt comprehensive measures and to provide them with some guidance as to how to approach the

³⁷ UN General Assembly, Resolution 53/111 (20 January 1999) para 10.

³⁸ For the full text of the Convention in its final form see UN General Assembly, *Report of the Ad Hoc Committee on the Elaboration of a Convention against Transnational Organized Crime*, UN Doc A/55/383 (2 November 2000) Annex I; reprinted in 40 ILM 335, 353 (2001). Note that the Convention is also open for signature to non-UN members.

legislative and policy questions involved. It is also intended to provide greater standardization and coordination of national policy, legislative, administrative and enforcement approaches to the problem to ensure a more efficient and effective global effort to control transnational crime.

UN Protocol against the Smuggling of Migrants by Land, Air and Sea

The United Nations Protocol against the Smuggling of Migrants by Land Air and Sea, supplementing the Convention against Transnational Organized Crime is the first attempt to universally criminalise migrant smuggling and associated offences, such as immigration and identity document fraud, and the harboring and concealing of illegal migrants, including all forms of participation and attempts. The Protocol also seeks to enhance the protection of migrants and encourage judicial and law enforcement cooperation at the international level. The Protocol originates from two initiatives made by the Governments of Italy and Austria in 1997. In August 1997, Italy proposed a draft for a Multilateral Convention to Combat Illegal Migration by Sea to the International Maritime Organization (IMO).³⁹ In September 1997, Austria submitted a draft International Convention Against the Smuggling of Illegal Migrants to the 52nd Session of the UN General Assembly.⁴⁰

In January 1998 experts from Austria and Italy met to discuss the Austrian draft convention and the possible implementation of technical guidelines with regard to the smuggling of illegal migrants by sea. A combined proposal was put forward to the UN Commission on Crime Prevention and Criminal Justice on 30 April 1998, which then led to the elaboration of the *Protocol against the Smuggling of Migrants by Land Air and Sea*.⁴¹ 79 nations signed the Protocol in December 2000.⁴²

Essentially, the *Protocol against the Smuggling of Migrants by Land, Air and Sea* aims to criminalise the smuggling of migrants and those who practice it,

³⁹ IMO Doc LEG 76/11/1/ (1 August 1997).

⁴⁰ UN Doc A/52/357 (17 September 1997).

⁴¹ For the history of the Protocol see also Andree Kirchner & Lorenzo Schiano di Pepe, "International Attempts to Conclude a Convention to Combat Illegal Migration" (1998) 10(4) *International Journal of Refugee Law* 662-674.

⁴² See UN General Assembly, *Report of the Ad Hoc Committee on the Elaboration of a Convention against Transnational Organized Crime*, UN Doc A/55/383 (2 November 2000) Annex III, and 40 ILM 335, 384 (2001) for the full text of the Protocol in its final form.

while recognizing that migration itself is not a crime and that migrants are often victims needing protection:

Article 2 Statement of purpose:

The purpose of this Protocol is to prevent and combat the smuggling of migrants, as well as to promote cooperation among States Parties to that end, while protecting the rights of smuggled migrants.

The Protocol contains 25 Articles. Part I (Articles 1-6) makes general provisions regarding the criminalisation of migrant smuggling, the application and terminology of the Protocol, its relation with the mother Convention, and the non-criminalisation of migrants. Part II (Articles 7-9) is designed to establish special measures to combat the smuggling of migrants by sea, recognizing existing obligations under the international law of the sea. Article 9 contains a safeguard clause to ensure, inter alia, the safety of migrants and their humane treatment. Part III, titled “prevention, cooperation and other measures” contains the key provisions for international cooperation against migrant smuggling, including information exchange (Article 11), border measures (Article 12), apprehension of fraudulent documents (Articles 12 and 13), training and technical cooperation (Article 14) and provisions regarding the protection and return of smuggled migrants (Articles 16 and 18). Final provisions are contained in Part IV, Articles 19-25 of the Protocol.

The UN *Convention against Transnational Organized Crime* and the Protocols against migrant smuggling, trafficking in persons, and trafficking in firearms are the outcome of lengthy debate, are highly politically influenced, and represent the result of compromise rather than the best knowledge of contemporary transnational organized crime. However, they are also the major, most universal and best available tools to combat transnational criminal activities beyond the limitation of national legislation.

Unfortunately, none of the South Pacific nations has yet signed the Convention.⁴³ The implementation of the Convention and the Protocols pose significant challenges to the United Nations and all signatory States. Many, if not most

⁴³ See UN Office for Drug Control and Crime Prevention, www.odccp.org/adhoc/crime/crime_cicp_convention_signature.pdf. The Convention can be signed without signing the supplementing Protocols. The Protocols, however, cannot be signed without signing the Convention.

countries will have to amend their laws, including penal codes, organized crime acts and immigration legislation. The criminal justice and law enforcement systems of some countries will require adjustment to put in place the provisions under the new international instruments.

But in addition to the legislative amendments required to meet the obligations under the Convention and its protocols, many of the measures require substantial financial and human resources as well as technical equipment and know-how, posing particular difficulties to smaller and economically less developed nations. The South Pacific islands on their own simply do not have the resources to commit themselves to the Convention and the Protocols. However, with growing levels of transnational crime in the South Pacific, the countries of the region are genuinely interested and willing to participate in international law enforcement activities.

It is for that reason, that the larger regional powers, such as Australia, New Zealand and the United States need to assist the smaller nations at the earliest possible stage of the implementation process, in order to improve law enforcement structures, criminal justice systems and the development of human resources, through training and the upgrading of skills, as well as assisting them in the acquisition and modernization of equipment and facilities.

International Anti-Money Laundering Cooperation

International and regional cooperation against money laundering has a longer history than cooperation against transnational organized crime.⁴⁴ The first formal international instrument against money laundering dates back to 1988 and is contained in the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances which criminalises the conversion of illicit cash deriving from drug trafficking.⁴⁵ Other international initiatives to combat and criminalise money laundering relevant for the South Pacific include

⁴⁴ See generally "International co-operation in combating money laundering" in Guy Stessens, *Money Laundering: A New International Law Enforcement Model* (Cambridge University Press, 1999) 251-419; Rick McDonnell, "Money Laundering: The International and Regional Response" in Beno Boeha & John McFarlane (eds), *Australia and Papua New Guinea: Crime and the Bilateral Relationship* (Canberra: Australian Defence Studies Centre, 2000) 166 at 174-187.

⁴⁵ 1582 UNTS 1. Of the countries of the South Pacific region only Fiji (25 March 1993) and Tonga (16 April 1996) acceded to the Convention.

the Basle Committee on Banking Supervision,⁴⁶ the Offshore Group of Banking Supervisors (OGBS),⁴⁷ and the initiative of the Commonwealth of Nations.⁴⁸

The most important international association fighting the causes and consequences of money-laundering today is the FATF. The FATF, established in 1989, now incorporates 29 member nations as well as the European Commission and the Gulf Cooperation Council. The FATF is a freestanding agency and not part of any other international organization, although the FATF Secretariat is located at the Organization for Economic Cooperation and Development (OECD) headquarters in Paris. Over the last decade, the FATF has become the most active international body in elaborating anti-money laundering policies and raising global awareness on the issues associated with money laundering. The priority themes of FATF activities are:

1) Monitoring the implementation by FATF members of the so-called Forty Recommendations. These recommendations have been developed by FATF in 1990 and have been revised in 1996 to provide a basic, universal framework for anti-money laundering efforts. The recommendations include criminal justice and law enforcement measures, regulations of banking and financial systems, and recommendations for international cooperation. They do

⁴⁶ In June 1996, the International Conference of Banking Supervisors, attended by representatives from 140 countries, developed the *29 Basle Committee Recommendations* designed to strengthen the effectiveness of supervision of banks operating outside their national boundaries. Guidelines were issued for determining the effectiveness of home country supervision, for monitoring supervisory standards in host countries, and for dealing with corporate structures that create potential supervisory gaps.

⁴⁷ Established in October 1980 at the instigation of the Basle Committee on Banking Supervision. The primary objective of OGBS is to promote the effective supervision of banks in their jurisdictions and to further international cooperation in the supervision between the Offshore Banking Supervisors and between them and Basle Committee member nations and other banking supervisors. Furthermore, OGBS, in cooperation with FATF, evaluates the effectiveness of the money laundering laws and policies of its members. Currently, Vanuatu is the only OGBS member from the South Pacific region.

⁴⁸ In October 1993 the Commonwealth Heads of Governments Meeting "commended" the FATF Forty Recommendations, "urged steps for their early implementation" and later agreed to initiate a process of self-evaluation and mandated their Senior Officials to monitor, with the assistance of the London based Commonwealth Secretariat, the implementation of these measures and develop a model Commonwealth anti-money laundering law. Cf Mark Jennings, "International Cooperation to Combat Money Laundering: The Australian Perspective" in Adam Graycar & Peter Grabosky (eds), *Money Laundering in the 21st Century: Risks and Countermeasures* (Griffith: Australian Institute of Criminology, 1996) 44 at 48; William C Gilmore, "International initiatives" in Richard Parlour (ed), *Butterworths International Guide to Money Laundering Law and Practice* (London: Butterworths, 1st ed, 1995) 15 at 26.

not have legal effect and cannot be enforced.⁴⁹

- 2) Analyzing developments in money laundering methods and elaborating appropriate countermeasures; and
- 3) Carrying out an external relations program to promote worldwide action against money laundering.⁵⁰

Although none of the South Pacific nations is member of FATF, the Task Force has established a close relationship with these countries and the South Pacific Forum. In July 1992, South Pacific Forum leaders issued the *Honiara Declaration* on law enforcement cooperation.⁵¹ Among other matters, the Declaration recommends that Member States consider the implementation of the Forty Recommendations and gives priority to the ratification and implementation of the *1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances*.

In 1997, thirteen countries of the Asia Pacific region established the Asia/Pacific Group on Money Laundering (APG) to ensure the adoption, implementation and enforcement of internationally accepted anti-money laundering standards as set out in the Forty Recommendations. APG's efforts include assisting countries and territories of the region in enacting laws to deal with the proceeds of crime, mutual legal assistance, confiscation, forfeiture and extradition, providing guidance in setting up systems for reporting and investigating suspicious transactions and helping in the establishment of financial intelligence units. The APG also enables regional factors to be taken into account in the implementation of anti-money laundering measures. Today, Fiji, Samoa and Vanuatu are among the APG members, and the Cook Islands has observer status.⁵²

Transnational Crime and Regional Security: The Way Ahead

Transnational crime has become a growing threat to the South Pacific island nations and to the Asia Pacific region as a whole. But many countries continue

⁴⁹ The full text of the Forty Recommendations is available at the FATF website www.oecd.org/fatf/40Recs_en.htm.

⁵⁰ Cf Jennings, note 48 above, at 45; Gilmore, note 48 above, at 25.

⁵¹ The full text of the *Honiara Declaration* is available at the website of the South Pacific Forum Secretariat www.forumsec.org.fj/division/piad.htm.

⁵² For further information see Asia/Pacific Group on Money Laundering (APG) Secretariat, *Money Laundering — The International and Regional Response* (Sydney: APG Secretariat, May 1998).

to object to the treating of transnational crime as a security issue, as crime has traditionally been an issue of national rather than international concern, and some countries may not want seemingly internal issues to be addressed by other nations and the international community.

Also, for some people, the link between transnational crime and national and regional security may not be obvious, especially not in the traditional narrow military understanding of security. However, if security is understood not just as a question of external military threats to national sovereignty but also as that of the effective functioning of society in socioeconomic and political dimensions, then there can be no doubt that transnational crime is indeed a severe security concern. The threats inherent in transnational crime may be more subtle than traditional conflicts, but the scale of transnational crime in the South Pacific has reached levels that have a strong impact on the functioning of government authorities, bilateral relations and on society and regional stability as a whole.⁵³ The problem of transnational crime is complex, multifaceted and defies single or simplistic solutions. It needs to be considered that transnational crime in all its dimensions, including migrant trafficking and money laundering, is part of a large and increasingly international trade. Attention must not only be drawn to conventional transnational criminal activities such as the drug trade and money laundering. Transnational crime also includes tax evasion, corruption, forgery of brand products and electronic equipment, industrial espionage, smuggling of arms and nuclear material, piracy, trafficking in protected fauna and flora, and environmental crime.

The principal hurdle in the fight against transnational crime is that existing national laws usually only address some aspects of the domestic activities involved, but they do not address the core of the problem — the international conduct. Combating transnational crime cannot be the burden of any single country; it must be the shared responsibility of all countries involved. The countries of the South Pacific region have no choice but to work together to meet the challenges of transnational crime thereby improving regional security in the 21st century.

⁵³ See, generally, Williams, note 2 above, at 96; and Andreas Schloenhardt, “Migrant Trafficking and Regional Security” (2001) 16(2) *FORUM for Applied Research and Butterworths International Guide to Money Laundering Law and Practice* (London: Butterworths, 1st ed, 1995) 15 at 26.

Security in the South Pacific can only be enhanced by promoting a better understanding of the immediate problem of transnational crime while also addressing the underlying political, demographic, environmental and socio-economic causes. It is essential that the countries in a region as unique and diverse as the South Pacific region cooperate closely to find new ways to combat transnational crime and all its causes and consequences, and work together towards an environment for peace, democracy and development.

Routine Provocation and Denial From the Tonkin Gulf and Hainan to Kyoto and the Pacific Islands

By Glenn Petersen

Introduction

Let me begin simply by pointing to the Island State Security conference program, which communicates more eloquently than anything I might say the current degree of American interest in and/or concern with the small Pacific island nation-states. The participating scholars who specialize in this region and its peoples and societies come from Australia, New Zealand, and the islands themselves, or were trained at their universities. In order to bring in an American with long-term interests in the area, the organizers turned to an anthropologist who happens to have specialties in international affairs and geopolitics. My knowledge of my own country's academic scene tells me that that this situation accurately reflects the central dynamic of scholarly research in the United States: our scholars *tend*, like most people, to congregate where the funding is. In the US virtually no one but anthropologists has pursued research in the Pacific islands.

It may be that the Asia-Pacific Center for Security Studies will in time produce evidence of a shift in emphasis, but I have no reason to believe so. My comments here should make it clear why my doubts are not likely to be dispelled. It is my intention to link incidents in which US actions in the Pacific region have been perceived as provocative together with Pacific islander concerns regarding their lands and the threats posed by global warming. Failing any significant shift in current US attitudes toward the Pacific, the responses of island nation-states may be quite different, and more volatile, than the US government expects.

Before I go further, let me explain that two overriding themes have dictated my approach to this material. First, I have been drafting a chapter on land and its place in a book I am completing on traditional Micronesian societies, so matters of Micronesians' relationships to their land and their fears of having it alienated

from them have been on my mind all the while. Second, as I was beginning work on this, a US Navy EP-3E *Aries II* was struck and damaged in airspace off the coast of Hainan and made an emergency landing at the nearby Lingshui airbase, on 1 April 2001. This latter event has a great deal to tell us about US attitudes toward the Pacific, both the nation-states on its rim and the island states lying between the Americas and East Asia. My concern with Micronesian land creates a context for understanding island states' responses to American attitudes and performances.

In order to make clear the assumptions with which I begin I need to impart two brief fragments of autobiography. In May of 1964 I enlisted in what I thought was the peace-time Navy. While I was still in boot camp the Gulf of Tonkin Incident took place. It was not long before I was fighting a war half way around the world in a place I had barely known existed. In February of 1967 my E1-B (officially a *Tracer*, but known universally as a *Willy Fudd*), an electronics surveillance and reconnaissance aircraft, strayed over Yulin in Hainan (not simply into adjacent airspace but over the island).

The relevance of these two shreds of personal history lies in my concern with the problem of provocation and response in the South China Sea and the Tonkin Gulf, and in their larger meaning within the context of an American presence in the Pacific.

Read any official US government commentary on the downing of the EP-3 or virtually an American news account of it and you will find an utter absence of any awareness or acknowledgement that the incident entailed provocation on the part of the US. The US asserts that its aircraft was engaged in innocent passage in international airspace and that it was the Chinese fighter pilot, acting either on his own initiative or on orders from an unspecified source, that engaged in dangerously provocative maneuvers and was entirely responsible for the collision which led to his own death and the EP-3's emergency landing. Within days after the crew's return to the US from China, the US resumed flights along much the same track and made it clear that it was prepared to have its surveillance aircraft accompanied by fighters if the Chinese continue to shadow them. And US fighter aircraft can operate effectively in the South China Sea only if they are based on aircraft carriers stationed there. That is, depending upon the

Chinese response, we may see carrier task forces operating regularly in the area, in order to demonstrate American resolve concerning the right of Americans to operate in the area. I cannot consider this eventuality without recalling the conditions under which the Gulf of Tonkin Incident took place and the consequent Gulf of Tonkin Resolution was enacted by the US Congress.

There are of course multiple versions of what happened on August 1964. But the differences among them are primarily matters of nuance and interpretation, not fact. And my version, obviously, is tailored to suit the points I wish to make here, but I do not think I misrepresent any of the pertinent data. For readers unfamiliar with this episode, in the course of a civil war between the governments of South and North Vietnam that was both initiated and exacerbated by the Cold War, the US Military Assistance Command, Vietnam (MACV) and other elements of the US government and Navy were operating small craft raids out of Danang in the South into various coastal locations in the North, under the general rubric of OPLAN-34A missions. At the same time, and among the wide range of surveillance operations the US conducted across the length of northern and eastern coasts of Asia, the US Navy was conducting coastal surveillance from destroyer patrols known as DeSoto missions. Shortly after one of the OPLAN-34A raids the *USS Maddox* undertook DeSoto surveillance operations along the same coast. A local North Vietnamese naval officer ordered an attack on the *Maddox*. US fighter aircraft, launched from a nearby aircraft carrier repulsed the attack, and no damage was done to the *Maddox*. Days later, the *Maddox*, operating with another destroyer, the *Turner Joy*, reported that they were under torpedo attack by North Vietnamese torpedo boats. The evidence for this incident is contradictory and inconclusive, although most accounts conclude that weather conditions rather than an attack were responsible for the destroyers' radar readings. Following this second episode, President Lyndon Johnson submitted to the US Congress a bill, known as the Gulf of Tonkin Resolution, which had been drafted weeks earlier, authorizing him to launch retaliatory attacks on North Vietnam. Congress passed it almost unanimously.

The particular relevance of these events to present day concerns is the juxtaposition of US claims that the initial attack on the *Maddox* was unprovoked and that it called for a counter assertion of a US presence in the area, the willingness of the US press to report the incident almost exactly as the US government

represented it to have happened, and the ultimate descent into the chaos of destruction that came as a result of the war powers Congress eagerly conferred upon the executive. With the exception of the last of these, we have seen in the downing of the EP-3 a repetition of key elements of the Gulf of Tonkin Incident. It is the possibility that open hostilities might eventuate, and once again draw the Pacific island states into the maelstrom of war that prompts me to explore the parallels.

The Gulf of Tonkin Incident

The Johnson administration steadfastly denied that it was provoking a North Vietnamese response when it mounted OPLAN-34A raids against off-shore islands and ordered simultaneous intelligence-gathering DeSoto patrols immediately off the coasts of these islands. Almost no one who has subsequently studied the Gulf of Tonkin Incident has concluded that there was much veracity to this assertion.

What follows is a cursory look at the evidence. A June 1964 discussion between Secretary of State Dean Rusk and Secretary of Defense Robert McNamara suggests they were expecting that the conjunction of the DeSoto and OPLAN-34A operations would eventually draw a military response from North Vietnam.¹ After the fact, Rusk was delighted that these activities “are beginning to rattle Hanoi.”² In the immediate wake of the August incidents, William Bundy, an assistant secretary of state, drafted a memo pointing out that continued conjunction of the OPLAN-34A raids and DeSoto patrols would “tend to provoke a DRV [North Vietnamese] reaction, [and] subsequent retaliation by us.”³ Senator Ernest Gruening, with information leaked from the Pentagon, charged that the US had deliberately provoked the North Vietnamese.⁴ And Under Secretary of State George Ball believed that sending DeSoto missions so close to the North Vietnamese coast was intentionally courting an excuse to begin bombing the North. The DeSoto program, he has maintained, was “primarily for provocation.”⁵

¹ Robert Mann, *A Grand Delusion*, New York: Basic, 2001, p.345.

² Edwin Moise, *Tonkin Gulf and the Escalation of the Vietnam War*, Chapel Hill: University of North Carolina Press, 1996, p.228.

³ Mann, p.345.

⁴ Robert Schulzinger, *A Time for War*, New York: Oxford University Press, 1997, p. 152.

⁵ Cited in William Gibbons, *The US Government and the Vietnam War*, 4 Volumes, Princeton: Princeton University Press, 1986-1995, Volume 2, p.285.

It is significant for my purposes here that despite what most people would construe as the deliberately provocative actions of the US in the Tonkin Gulf, the administration in Washington denied that it had provoked the North Vietnamese retaliatory strike against the Maddox. McNamara told the House of Representatives that the North Vietnamese attack was deliberate and unprovoked.⁶ Bundy knew he was deceiving William Fulbright, chair of the Senate's Foreign Relations Committee, when he assured Fulbright there was no connection between the OPLAN-34A and DeSoto operations.⁷ When Senator Morse expressed frustration, saying "we are kidding the world if you try to give the impression that when South Vietnamese naval boats bombarded two islands a short distance off the coast of North Vietnam, we were not implicated."⁸ McNamara denied the charge, insisting that our navy played no part in the 34A missions and that there was no connection between them and the DeSoto patrols.⁹ Indeed, McNamara continues in his denial, still claiming that the US was not responsible for the 34A program. He now acknowledges, however, that he was wrong when he denied that DeSoto and 34A operations were aware of one another. "My statement was honest but wrong."¹⁰ He continues to assert that "the idea that the Johnson administration deliberately deceived Congress is false."¹¹

Senator Gruening declared at the time that the Pentagon and State Department were conducting a "snow-job" on Congress.¹² Within days, I.F. Stone concluded

These circumstances cast a very different light on the Maddox affair, but very few Americans are aware of them. The process of brain-washing the public starts with off-the-record briefings of newspapermen in which all sorts of far-fetched theories are suggested to explain why the tiny North Vietnamese navy would be mad enough to venture an attack on the Seventh Fleet, one of the world's most powerful. Everything is discussed except the possibility that the attack might have been provoked.... The image

⁶ Marilyn Young, *The Vietnam wars, 1945-1990*, New York, HarperCollins, 1991, p.120.

⁷ Mann, p.356.

⁸ *Ibid*, p.359.

⁹ *Ibid*, p.359-360.

¹⁰ Robert McNamara, *In Retrospect*, New York: Times Books, 1995, p.137. As Mann points out (p.360n) McNamara knew his statement was false.

¹¹ Robert McNamara, James Blight, and Robert Brigham, *Argument Without End*, New York: Public Affairs, 1999, p.142.

¹² *Congressional Record*, cited in Marvin Gettleman, ed., *Vietnam*, New York: Fawcett, 1965, p.384.

*created at home was that the US had manfully hit back at an unprovoked attack—no paper tiger we.... That our warships might have been providing cover for an escalation in raiding activities never got through to public consciousness at all.*¹³

Moïse observes that the public did not hear nearly as much as the Senate about the possibility that North Vietnam had ample reason to fear US naval activities off their coast. The press readily accepted government claims that the US had done nothing to provoke North Vietnam. The press in general, Moïse holds, accepted claims that the DeSoto operations had been perfectly routine patrols. And although many publications noted the North Vietnamese claims regarding coastal attacks, no more than a very few informed readers learned that there was any truth to these charges. He concludes that in the press coverage of the Gulf of Tonkin Incident there were key elements of a theme that would later become conspicuous in thinking about the war, specifically the notion that “the United States, a peace-loving nation, was fighting in a very restrained and limited fashion.” The press tried to make the US look morally superior. American press coverage seemed to follow a rule that it “should support our boys—support and praise the actions of the US military.” He says he has found without exception that “nobody in the mainstream press appeared to have the slightest doubt about the competence or the moral correctness of any action the US military had taken in the Gulf of Tonkin.”¹⁴

There are several key points that I need to draw from this history.

- 1) From the very first reports of the North Vietnamese sortie against *Maddox*, CIA Director John McCone maintained that the attack was a direct consequence of the US-directed attacks on them.¹⁵ Even McNamara now acknowledges that McCone insisted at the time that North Vietnam was reacting defensively to our attacks on their islands.¹⁶
- 2) President Johnson instructed the Navy to operate in a highly provocative manner following the *Maddox* incident, military leaders urging him to continue with the OPLAN-34A and DeSoto missions.¹⁷ CINCPACFLT informed the Seventh Fleet commander that terminating DeSoto operations after only two

¹³ I.F. Stone, *In a Time of Torment*, Boston: Little, Brown, 1967, p.202, his italics.

¹⁴ Moïse, pp.229-234.

¹⁵ *Ibid*, p.240.

¹⁶ *Argument Without End*, p.168.

¹⁷ Mann, p.353, 372.

days of patrol following the *Maddox* incident failed to “adequately demonstrate US resolve to assert our legitimate rights in these international waters.” Further sorties would demonstrate the Americans’ determination to continue these patrols and possibly draw the North Vietnamese away from 34A activities. On August 8 CINCPAC dispatched additional destroyers to patrol the Gulf, their “primary purpose” being “to assert US rights to international waters off North Vietnam and to ascertain through North Vietnam action whether they intend to continue attacks on the high seas.” Any decrease in these activities could, CINCPAC said, be interpreted “as a sign of weakness and lack of resolve.”¹⁸ As Moïse concludes, after August 2 the DeSoto patrols’ mission was altered: showing the flag took precedence over intelligence-gathering.¹⁹

3) The DeSoto patrols collected intelligence regarding not only seaward defenses against the OPLAN-34A raids, but also North Vietnamese air defenses and their responses to unexpected surface and air contacts. The official naval history concludes that the DeSoto patrols’ “chief benefit was realistic training provided officers and men in close proximity to unfriendly forces.”²⁰ Marilyn Young has concluded that the most important aspect of the Gulf of Tonkin Resolution was the completeness with which Congress accepted the administration’s reasoning about why it sought the war powers it gained. “Congress shared the world view of the administration, debating the edges of the issue but never questioning the basic premises.”²¹

4) Moïse makes it clear that he is disturbed by extent to which appearance differed from its reality. When the US government reported the August 4 attack (which never occurred) everyone believed it. The official US Navy history of the period²² reports that the evidence for this attack seems overwhelming, while Moïse knows now that it did not occur. He worries, moreover, “that if a similar story were to be presented to the public tomorrow, I would probably believe it again.”²³

In summary: Although leading members of the administration understood that the *Maddox* incident was a defensive measure by the North Vietnamese, this was

¹⁸ Edward Marolda and Oscar Fitzgerald, *The United States Navy and the Vietnam Conflict, Volume 2*, Washington, DC: Naval Historical Center, Department of the Navy, 1986, p.425, 453.

¹⁹ Moïse, p.55.

²⁰ Marolda and Fitzgerald, p.405.

²¹ Young, p.121, see also Mann, p.367.

²² Marolda and Fitzgerald.

²³ Moïse, p.xii-xiii.

not acknowledged. Rather, there was at the time consistent and vehement denial of any provocation on the part of the US; it was not until much later that the truth was acknowledged. The administration and the military agreed on implementing further provocative measures in order to promote freedom of the high seas and show the flag. The administration derived excellent publicity from the handling of this episode. With an absolute minimum of exceptions, no one in Congress or public life asked why this event happened.

Did we learn enough from the original experience to prevent it from happening again?

There were, of course, no OPLAN-34A raids when the EP-3 went down in Hainan; parallels, analogies, and lessons should be drawn with the greatest care. Nevertheless, as one for whom these events resonate so forcefully, I cannot ignore their import. The EP-3's mission is a lineal descendant of the DeSoto patrols, engaged in many of the surveillance, intelligence gathering, and, one assumes, "tickling" activities (i.e., deliberate attempts to elicit electronic responses) that have gone on along the East Asian coast for the last half-century or more. At the time of the original DeSoto patrols, neither the administration nor the military would admit to provocation, but "pressure" was an operative word. And when this pressure was responded to, it was the party on the receiving end who was accused of being provocative.

The point of this lengthy exegesis on what will strike many as ancient history is this: While doing nothing its leaders admit to being provocative, the US is perceived by the people of another country as being highly provocative. An individual combatant, taking the initiative, strikes a spark. The US administration continues to deny any provocative actions and thereby gains enormous moral and political support from Congress, the press, and the public. In simple psychological terms, we see enormous positive reinforcement here. No one at home challenges questionable activities and the government receives enthusiastic support. Why, one might ask, should the either the government or the military cease its actions? Indeed, the US government has already publicized the fact that it has resumed surveillance flights along the East Asian littoral. Small wonder.

US Navy EP-3 downed in Hainan

The *New York Times*'s coverage of this recent episode provides a reasonable sample of what appeared in the US media and I limit my analysis here to its pages.²⁴

The contrast between descriptions of US and Chinese conduct are quite remarkable. The actions of the American EP-3 were consistently described as “routine” and occurring in “international waters.” It was engaged in patrolling sea lanes and operating well within the bounds of international law. It was reported to be doing no more than what US aircraft have been doing for the past 50 years, on “a well-known flight path we have used for decades.” It had “every right” to fly there. The US was “well within its rights” and its actions are “not up for discussion.” The US crew was “blameless.” On the other hand, the Chinese and/or their pilot, Wang Wei, were “aggressive,” “assertive,” “reckless,” “flashy,” “unsafe,” “confrontational,” “a showoff,” “a dangerous daredevil,” “a hotdog.” They were engaged in “harassing” the US and in a “pattern of aggression.”

To the extent that the US has increased its intelligence gathering in the area, it was in response to recent expansion of Chinese operations in the South China Sea. China's reach had hitherto been limited and was perceived to be no threat to US missions in the region. But China knew exactly what these missions were doing. Furthermore, China is sensitive, because of its history of domination by foreign powers, to infringements on its sovereignty.

A key question was one of decision-making. Did the Chinese pilot's action come as a result of orders from Beijing or local commanders, or was it a matter of his own initiative? The *Times* editorialized about the need for a complete account of what actually transpired and assumed that a detailed report of radar tracks would clarify the matter, since it would have been “needlessly provocative” on the part of the US if the aircraft had indeed violated Chinese airspace.

The US, we were repeatedly reassured, seeks “peace through security” in the region, wants a stable Asia-Pacific region, and believes it can “preserve the peace by flying reconnaissance missions” there. China's government, too,

²⁴ Quotes here are drawn from articles, editorials, letters, and Op-Ed pieces in the *Times*, April 2, 3, 4, 5, 6, 13, 14, 15, 18, 22, 27; May 8, 17.

insisted that the Chinese are “peace-loving” but equally fearless. China’s “propaganda machine” was invoked, as was its need for a national hero to feed its increasing nationalism, its “prickly national pride,” and its “suspicion of the outside world.” In the US, ceremonies welcoming the EP-3’s returning crew in Honolulu, NAS Whidbey Island near Seattle, at the White House, and at Yankee Stadium were covered, as well as the awarding of Air Medals, a Distinguished Flying Cross, and other commendations, though none of these were portrayed as being in any sense demonstrations of American nationalism.

In the *Times* no attention was paid to either the fact that Hainan is the site of one of China’s “largest electronic-signals complexes”²⁵ or that “the region is one of the main intelligence targets for US sigint [signals intelligence] aircraft.”²⁶ In this context the *Stars & Stripes* report on the incident is notable.

The encounter between the US electronic surveillance plane and a Chinese jet fighter opened a rare window on the sometimes productive—but also dangerous and often provocative—practice of flying airborne snoopers close to, and sometimes over, enemy territory in peacetime as well as wartime.

*The targets: the streams of electronic signals given off by a real or potential adversary’s radars, missile test flights and military communications. That data, if put to use in combat, could save US lives by pinpointing the location and purpose of radars used to track and shoot down American combat aircraft, among other benefits.*²⁷

It certainly appears that the US was engaged in “tickling” Chinese search and fire control radars. That is, having fighters scrambled to shadow its surveillance aircraft is the reason the US flies near the Chinese coast, inasmuch as there are multiple alternative means of gathering the other sorts of electronic intelligence. What the US terms routine is in fact intentionally provocative. It provides crews and analysts first-hand familiarity with precisely the installations and procedures they would be dealing with in the case of open hostilities. Admiral Blair, CINCPAC, has said that the US “could blunt the threat to American bases and

²⁵ United Press International (UPI), “Bush to China: Return Plane, Crew,” April 2, 2001.

²⁶ Robert Wall, “New Intelligence Gear on China-Held EP-3,” *Aviation Week*, April 9, 2001.

²⁷ Warren Strobel, “Life on Surveillance Plane Can Go From Boredom to Terror in an Instant,” *Stars & Stripes*, April 4, 2001.

carriers near the Chinese coast by knocking out China's reconnaissance and communications systems." The ability to do so depends in part, of course, on these missions.

This is for the most part just what happened a few miles away in the Tonkin Gulf in 1964. In the Gulf case provocation was intentional *and* denied via the means of asserting that the operations were entirely routine. The US military was certain that it was much too powerful to be trifled with and thus underestimated the resolve of local commanders and individual combatants. The ensuing incident, which should have surprised no one, came as a surprise precisely because of these simultaneous claims of routine operations and denials of deliberate provocation.

The US administration found in 1964 that it gained credibility and respect from its subsequent handling of the episode and that it could maintain this enhanced reputation only by insisting that it would not back down; since these American activities were proclaimed to be no more than merely routine operations in international waters it would be deemed counterproductive—indeed, appeasement—for the US to discontinue them.

I am not merely suggesting that there are relevant analogies here. Rather, we are staring at a homology. The current missions off Hainan are direct descendants of the DeSoto operations off North Vietnam 35 years ago. If, as contemplated, future surveillance missions in the area are accompanied by fighter escorts, aircraft carriers will have to be stationed nearby. This will in turn lead to further provocation and escalation. I am not arguing that this is what must happen. But I am suggesting we understand that while routine and provocative are generally conceived of as opposites or at least as mutually exclusive, they are in these cases no more than facets of a single posture. They pose dangers that can lead to escalating of tensions with neither side acknowledging that they are contributing to the hostilities.

US aircraft have apparently been flying approximately four missions per week off the Chinese coast in order to assess China's strength in the South China Sea, where issues of sovereignty and control over the Spratly Islands continue to fester. In addition the US has undertaken a build-up of major air and naval

support facilities in Singapore.²⁸ Given political instabilities and uncertainties in the Philippines, Indonesia, and West Papua/Irian Jaya, and on-again off-again disputes, coups, and attempted coups in Papua New Guinea, the Solomons, and Fiji and among other spots, there is simply no reason to expect that US security interests and operating freedom for naval forces is likely to decline, despite calls for replacement of naval elements by long-range weapons.

Given this trajectory, I see no reason to think that other episodes will not follow. The US will insist on its right to continue its provocative behavior, the Chinese on their right to respond. And then the US will begin fighter sorties to accompany the surveillance missions. Where do fighters launch from if they are to remain on station in these seas for any length of time? Aircraft carriers. And thus the Western Pacific Rimland will remain the “crunch zone” it has long been known as.

Henry Kissinger is said to have described South America as a dagger pointed at Antarctica, by way of dismissing its geopolitical significance. I once heard a Micronesian leader describe the Federated States of Micronesia as “the hole in the donut” because of its location between strategic locations in the west and the Kwajalein missile testing base in the east. The geopolitical significance of Micronesia as a whole is textured and multi-faceted, but its location alongside almost the entire length of the shipping lane between Hawaii and the western Pacific rim suggests something other than irrelevance. Micronesia is not an arrow aimed at East Asia; it does not directly threaten East Asia. Nevertheless, a great many possible challenges to East Asia, whether to its security or to threats it may experience, must traverse its great sweep.

Tensions between the US and China are not going to go away. Indonesia and the Philippines will remain unstable. And aircraft carriers are going to continue to serve as the principal platforms for American intervention in the region. Discussing the role of the US Seventh Fleet in the South China Sea during the Vietnam War, the Navy’s textbook *Fleet Tactics and Coastal Combat* notes that “the Navy and the nation have enjoyed the almost unimpeded advantage of operational maneuver on and from the sea for the last fifty years.”²⁹ (This

²⁸ Trevor Hollingsbee, “Matters behind the mission: the background to the EP-3 affair,” *Jane’s Security*, April 10, 2001.

²⁹ Wayne Hughes, *Fleet Tactics and Coastal Combat*, 2nd Edition, Annapolis: Naval Institute Press, p.148.

would seem to respond to a question posed in the book's foreword by former Chief of Naval Operations Thomas Hayward, who wrote that he is "often asked, 'How much longer will carriers be the centerpiece of the US Navy's tactics?' It seems as if the question of the carrier as a sitting duck just won't go away.")³⁰ Under the circumstances, it is worth considering Micronesian outlooks toward the US.

And this, in fact, is as fundamental a part of my digression into the history of the Gulf of Tonkin Incident as the EP-3 incident. America's behavior in its relations with the Pacific islands is just as provocative and arrogant, and the US government just as much in denial, as it is with China. I refer of course to the issues of global warming and the abrogation of the Kyoto Protocol on preventing it from happening. Even a minor rise in sea level threatens to destroy, obliterate, or render uninhabitable significant portions of their territory. Focusing specifically on Micronesia, we see nothing in the previous record of colonial rule there, whether under the US or the Spanish, Germans, or Japanese, that indicates much respect for Micronesian land and land rights. The conjunction of sociocultural values Micronesians place on land, colonial high-handedness, and rising sea levels leads to one salient point: Micronesians have at this moment no reason for the slightest optimism or hope regarding their lands, their homes, or their societies.

Micronesian Lands

Despite their varied ties to the seas that surround them, most Micronesian peoples are bound even more intensely to their lands. There are many reasons for this. Let me begin with the more immediate and emotional aspects of Micronesians' ties to their lands.

Throughout Micronesia the situation is much the same as William Alkire describes it among the islands known collectively as the Woleai, where "land and social groupings, primarily kin groups, are inseparably linked."³¹ Juliana Flinn writes that the people of Pulap root kin identity in "eating from" the same particular plot of land. "In other words, sharing food demonstrates kinship and

³⁰ Ibid, p.xxi.

³¹ William Alkire, "Land Tenure in the Woleai," in H. Lundsgaarde, ed. *Land Tenure in Oceania*, Honolulu: University of Hawaii Press, 1974, p.40.

symbolizes the sharing of land, which is also essential to identity.”³² In Yapese society, according to David Labby, people do not simply act as individuals, but instead express themselves via roles they believe to reside in their land: “People are not chief, it was said; the land is chief.”³³

There is, in short an inextricable link among people, food, and land. The source of this linkage is evident in Ward Goodenough’s account of Chuuk: “Anything that has acquired a productive or practical value as the result of human labor is owned as property, whereas ownership is less likely with things directly consumable from nature.”³⁴ And the situation is essentially the same in Yap, where “The concept of invested labor or effort, of *magar*, was pervasive in Yapese culture.” The importance of the ancestral authority vested in land lies in recognition that “it was they who had made the land what it was, had developed its resources, built its gardens, its taro patches, and its fishing equipment, and it was they who had earned for it the social position that its occupants represented.”³⁵ That is, the support that individuals derive from their land is perceived to be the product of what they and others have put into the land. It is not the land per se that is of such immense value, but the food that comes from it, and this food in turn has been cultivated by the people who inhabit, inherit, and protect the land. Without the people, the land loses its value; without the land, the people can neither survive nor reproduce themselves.

Having pointed out this essentially practical significance of land, however, I must immediately stress that the symbolic meanings, social institutions, and personal relations that grow from this context permeate every aspect of Micronesian life. Land is cognitively and emotionally important at every turn, in every aspect of Micronesian life, whether economic issues are at hand or not. Land symbolizes the social relations that make survival—moral and emotional as well as physical—possible; relations embedded in the possession of, responsibility to cultivate, and right to inherit land pervade interpersonal interactions of every sort. Alkire has noted the lengthy periods of time land disputes linger on in the Woleai. These disputes are impregnated with all the hopes, hurts, and

³² Juliana Flinn, *Diplomas and Thatch Houses*, Ann Arbor: University of Michigan Press, 1992, p.5.

³³ David Labby, *The Demystification of Yap*, Chicago: University of Chicago Press, 1976, p.16.

³⁴ Ward Goodenough, *Property, Kin, and Community in Truk*, New Haven: Yale University Press, 1951, p.30.

³⁵ Labby, p.18-19.

fears that characterize family relations in any society. In the US one often hears it said that in the end, divorce proceedings are “all about money.” To the extent that this is true, it is because Americans keep score—track the course of their lives—in terms of money, and the dynamics of interpersonal relations are conceptualized in the language of accounting—that is, profit and loss. In Micronesia, land is the visible currency of relations—life is by no means all about land, but it is easy to mistakenly conclude that it is.

Land moves continuously—flows freely—from individual to group, from group to group, and group to individual in a continuous current of personal relations. Embedded in each plot of land, then, is not simply a material source of survival, but an individual history of personal relationships. Land represents matrilineage and family, ties to fathers and grandparents, marriages and adoptions, friendships and obligations. A challenge to the possession of a plot of land is so much more than a threat to an individual’s or group’s ability to earn its livelihood. It is equally a threat to one’s social existence, to one’s status as part of the community and society and culture that bestow identity upon individuals and groups.

Micronesians readily express awareness of dangers deriving from their islands’ location between contested regions, that is, the dangers of others’ wars sweeping through their islands. In this context, three distinct elements of Micronesian relations with their lands and surrounding waters are relevant. Their islands and waters provide them: a) most of their subsistence; b) the symbolic underpinnings of their social groups and thus significant elements of their identities; c) their sovereignty as peoples in a world where international law is based upon an assumption that nation-states form the natural units of legitimate government.

Virtually everyone in Micronesia today eats imported rice, but most families also produce substantial stocks of the local staples: breadfruit, bananas, dry and wet taro, and/or yams. Even on the largest islands there are no settlements without access to marine resources, though access and resources are not necessarily distributed equally. In this sense, the majority of Micronesians are like rural peoples in the rest of the non- or semi-industrialized world. Even while they derive their living from the land on which they live they do not depend exclusively on their own production. Exchange networks of various kinds link together families, lineages, communities, and islands. On the islands particu-

larly subject to typhoon damage, as the Central Carolines atolls are, life is possible only because of these links. Everywhere these linkages are embedded in layer upon layer of social, political, and ritual meaning. Society is bound together by the constant movement of an array of goods; this in turn ensures everyone of survival in times of shortage.

As a consequence, exchange networks are interwoven with a series of political and ritual obligations. While Micronesian chieftainship depends upon important ascriptive principles for its framework and moral force, in its daily operations it relies heavily upon competitive production and generosity. Those who would be chiefs are expected to produce more and give away more than their neighbors. An individual Micronesian's social status derives from a variety of factors. Most obvious is one's genealogy, but preeminent among the activities that promote individual effort and success are ritual knowledge and economic prowess. It is no exaggeration to say the ability to produce local produce and/or fish and a grasp of how to appropriately distribute them among others lie at the heart of one's membership in a community and thus provide a foundation for both individual and group identity. Thus the act of cultivating the land provides not only subsistence but goes a long way toward establishing the meaning of a person's life as well.

Moreover, the shared principles of Micronesian social organization do not distinguish clearly (at least by Euro-American lights) between places and the groups that occupy them. In some areas terms for localized groups refer to the territory they occupy as well. It is common for a newborn's umbilicus and placenta to be buried beneath a tree on the family's land, and the deceased are ordinarily buried on family plots as well. People eat crops either grown in taro pits dug by their ancestors or on breadfruit trees planted by their parents and grandparents. There are strong physical and spiritual ties between the people and the land they inhabit—these are by no means distinct categories—any threat to the land is experienced as a threat to the people identified with it.

Micronesian mythohistory and cosmology organize the archipelagoes' physical features and legendary history into a web of interconnections that almost

³⁶ See Ward Goodenough, "Sky-World and This World," *American Anthropologist* 88, 1986, pp.551-568, and Ruffino Mauricio, "Peopling of Pohnpei Island," *Man and Culture in Oceania*, 3, 1987, pp.47-72.

seamlessly bind together the islands and the cosmos.³⁶ And according to these accounts much of the physical character of the islands themselves is the product of construction projects undertaken by legendary ancestors. Because they believe their ancestors made—or at least substantially enlarged or improved—these islands, and because their populations have not been displaced during the course of the two to three thousand years they have been inhabited, modern Micronesians truly do have virtually timeless ties to their homelands. It seems entirely possible that contemporary islanders are the lineal descendants of the people who first settled the island. And because nearly every square inch of most of these islands has been transformed by the cultural and subsistence activities of their ancestors, almost every physical feature on them tells them a story about themselves and their heritage. Micronesia's landscape is authentically hallowed ground.

Finally, the Micronesian leaders who negotiated the compacts of free association with the US studied abroad, primarily at the University of Hawaii (but in Guam and the mainland US as well), and they consistently report that their understanding of American colonial history was deeply influenced by the history of America's relations with the indigenous peoples who originally inhabited the lands the expanding United States has occupied. To the extent that Native Americans, native Hawaiians, and Guam's Chamorros have lost control of their lands they have become minority peoples in their own homelands, lost the physical bases of their sovereignty, and thus been disenfranchised. During the course of their negotiations with the US, most Micronesian leaders never lost sight of the absolute imperative of regaining and securing full legal title to their lands. They had never lost moral title to it, they were certain, but the long period of American unwillingness to recognize Micronesian sovereignty served only to convince the Micronesians that unless they could establish legal title to their lands, they were likely to find themselves in the same sorts of predicaments that have reduced other former non-Euro-American subjects of the US to their current marginal statuses. US insistence on claims of eminent domain over Micronesian lands during the political status negotiations nearly derailed the talks entirely in the mid-1970s. As Alkire noted, "There is still a fear in the minds of some of the islanders that the Americans may someday attempt to reclaim land originally expropriated by the Japanese as government land."³⁷

³⁷ Alkire, p.68.

From the perspective of a majority of Micronesians, then, challenges to their lands and waters and their rights to control them have threatened not only their subsistence base (which is hardly a unique situation), but their individual and social identities, and their conscious ability to preserve themselves as the legitimate inhabitants and indigenous peoples of their islands.

Micronesia's Political Status in the Context of its Strategic Location

Micronesians, to put it simply, would like to be out of harm's way. To the extent that they can reduce the degree of American dominion in their islands, they can reduce the number, variety, and intensity of the threats confronting them. Because of their location, they realize, they will always be vulnerable. What they seek to do, therefore, is simultaneously reduce these threats and maximize the benefits they accrue as a consequence of being subject to them. But the greater the support they receive from the US, the greater their reliance upon America and the greater the danger they find themselves in. To what extent, we might ask, is theirs a Faustian bargain?

Older Micronesians, particularly those of the generation who spearheaded political status negotiations with the US, experienced the devastating fury of the Second World War at first hand, a point often overlooked.³⁸ In their remarkable account, Lin Poyer, Suzanne Falgout, and Laurence Carucci make clear the war's lasting effects on the islanders.³⁹ Under the Japanese most Micronesians spent war years working on construction, agricultural, and manufacturing projects. They were pressed into hard labor, often without compensation. Many were forced to relocate, their property subject to confiscation. Military rule became harsher as war continued. "Mistrust and brutality, if not commonplace,

³⁸ P.F. Kluge recounts with surprise the Micronesian leader Lazarus Salii's discussions with a Chuukese community concerning US military land acquisitions. Where the US had seized land without constraints under the trusteeship, Salii explained, under a negotiated compact the Micronesians would designate which lands would be available to the US Kluge says he doubted "that more than a handful of his listeners gasped the balances and compromises" Salii considered with them. "I was his best audience, I guess." In the next sentence, however, he describes the sunken Japanese fleet and rusted artillery surrounding the site where they spoke. (P.F. Kluge, *The Edge of Paradise*, New York: Random House, 1991, p.25-26). When I suggest that Micronesian experiences of the war are overlooked, I mean this quite literally.

³⁹ Lin Poyer, Suzanne Falgout, and Laurence Carucci, *The Typhoon of War: Micronesian Experiences of the Pacific War*, Honolulu: University of Hawaii Press, 2001.

⁴⁰ *Ibid*, p.9.

were not rare.” Micronesians everywhere suspected that the Japanese were planning to exterminate them.⁴⁰ “Whether they spent the war in bomb shelters, in sweet potato fields under the guns of Japanese military guards, or in their own homes on atolls sheltered from the winds of war, Micronesians who survived those years know that their peoples passed through a major historical transformation.”⁴¹

As the American attacks began, “Many Pohnpeians say that they surrendered themselves to the inevitability of death. They no longer thought about the war or what tomorrow might bring; they just lived from day to day following Japanese directives. Some became despondent; expecting to die, they no longer even attempted to flee when the American planes flew over.”⁴² “As elsewhere in Micronesia, starvation even more than bombing became the enemy for soldier and civilian alike. There was no refuge; the Palauans were reduced to living like wild people in the forest, foraging for food, sheltering in huts and holes.”⁴³ A Marshallese described the scene during the American invasion of Kwajalein:

*They were coming toward the islet, firing all the time. The guns did not move downward but continued to point upward. As they came toward us they just kept firing, and kept coming toward the land. While they were firing and moving closer to land, the people could no longer cope, their abilities were exhausted. The fear we carried around at that time was so great that people might faint because of it. Some people were ready to go crazy. It is possible to have people’s minds twisted around during such times.*⁴⁴

Quite understandably, then, Micronesians have no desire to see anything similar again befall them. All of their subsistence and moral rationales for pursuing the autonomy of national independence are paralleled by a wish to see any impetus for another war removed: to be rid of any alien presence that might draw attacks similar to the American invasion spawned by the Japanese occupation of their islands. It is rare to encounter a Micronesian who took at face value American claims that a US presence was necessary for the defense of Micronesia. Just whom would they be defending us from?, people asked. The only threat they

⁴¹ Ibid, p.5.

⁴² Ibid, p.153.

⁴³ Ibid, p.167.

⁴⁴ Ibid, p.239.

pose to anyone, many Micronesians explain, is as a direct consequence of the American presence in their islands. To the extent that Micronesians can ease the US out of their islands, then, they believe they can reduce the likelihood of precipitating another invasion.

At the same time, however, they recognize that they cannot escape this US presence. Guam, which the FSM straddles, remains entirely an American territory. It is armed to the teeth and there is virtually no likelihood of an American withdrawal. On Guam itself the islanders' primary concerns are for a more clearly defined relationship with and more local autonomy from the US (including control over immigration from Micronesia). The missile testing site on Kwajalein continues in its strategic role. The Marshallese people and their government derive most of their income from the lease of Kwajalein and from reparations for the consequences of nuclear testing on Bikini and Eniwetok. FSM leaders have at times described their location as akin to the Straits of Gibraltar—that is, they occupy a strategic location significant because most of it is situated between these two key positions, Guam and Kwajalein. *This* is what was meant when one of them expressed this sense of vulnerability, “We’re the hole in the donut.”

Global Warming: Land and Provocation

In past years, the US government has informed Micronesians and the peoples of the other Pacific islands that its interests in the region are important enough to promote genuine colloquy between them. In the course of outlining changing regional strategies, Secretary of Defense William Perry spoke of the need “to maintain firm alliances with our friends.” He articulated the American view that “The best way to prevent or deter conflict is for the US to remain fully engaged in its leadership role by maintaining our forward presence, reinforcing alliances, developing bilateral and multilateral relationships and by developing dialogues that promote confidence- and security-building measures.”⁴⁵ Describing the “key stabilizing role” the US plays in the area, Under Secretary of State Joseph Nye announced that “support for regional security dialogues is a significant new element of this administration’s security strategy.”⁴⁶

⁴⁵ William Perry, “Ever Vigilant in the Asia-Pacific Region.” *Defense Issues* Vol.10, No.87, 1995, p.3. (Speech to the Japan Society, New York, September 12, 1995).

⁴⁶ Joseph Nye, “Strategy for East Asia and the US-Japan Security Alliance,” *Defense Issues*, Vol.10, No.35, March 29, 1995, p.3.

In the sense that a dialogue assumes that both parties listen as well as speak, then we might expect that the US has learned important lessons. But as Ron Crocombe notes in his recent report on Pacific island security issues, “Security interests, and perceptions of security, differ widely.”⁴⁷ There is not much evidence, unfortunately, that the US has learned much about the importance land holds in Pacific island societies.

I have already described the complex role land occupies in Micronesian societies, but there is in fact nothing peculiar to Micronesia about this. It applies everywhere in the Pacific islands. Land issues remain utterly crucial to every aspect of social, cultural, political, and economic life. Land disputes are repeatedly mentioned as major sources of the internal disputes that observers believe pose much greater dangers to these societies than external threats.⁴⁸

*Land ownership is a vital ingredient in Pacific culture—its highest value is spiritual, but it also provides access to land and marine resources and the ultimate refuge for survival through subsistence activities. However, it is because of these factors that dealing with land disputes and access to land is a highly sensitive issue and provides an intractable policy problem that both policy advisers and policy makers have tended to avoid or not face up to.*⁴⁹

In contrast to the US military’s views on the sources of regional stability, Stewart Firth has argued that traditional forms of communal land tenure in the islands may prove to be one of the primary stabilizing forces in local societies. “Communal land tenure, he says, “ is “much derided by aid donors as a barrier to development. For all its faults, communal land tenure continues to act in many countries as informal system of social security, which is needed now and

⁴⁷ Ron Crocombe, “Enhancing Pacific Security.” Report to Forum Secretariat for Forum Regional Security Committee (FRSC) Meeting 13-15 June 2000, p.3.

⁴⁸ South Pacific Forum, South Pacific Forum Regional Security Committee Outcomes, Press Statement, 7/17/00, Forum Regional Security Committee Meeting, July 13-15, Port Vila, 2000. Forum Economic Ministers, Press Statement, 4th Forum Economic Ministers Meeting, Niue, 25-26 July 2000. Ron Crocombe, “Enhancing Pacific Security.” Statement by Noel Levi, Secretary General, South Pacific Forum Secretariat, Australian South Pacific Conference, 17-18 August, Canberra, 2000.

⁴⁹ Forum Economic Ministers, “Economic Impacts of Unrest in the Pacific,” Forum Economic Ministers’ Meeting, Niue, 25-26 July, 2000, p.6.

⁵⁰ Stewart Firth, “The Pacific Islands and the Globalization Agenda,” *The Contemporary Pacific* 12, 2000, p.191.

might be needed more if the Pacific becomes more marginalized in a globalized economy.”⁵⁰

It is within this context that the issue of rising sea levels is of such enormous importance. The Pacific Islands Forum’s most recent communiqué, in its section on regional security, reports that “The Forum *reiterated* that the issues of climate change, climate variability, sea level rise and environment protection continue to be of major concern to the Forum region.” Pacific island “leaders further reiterated their deep concerns about the adverse impact of human-induced climate change, natural climate variability and sea level rise on all Pacific Islands, especially low-lying atolls.”⁵¹ Noel Levi, Secretary General of the South Pacific Forum, in his address to the recent Australian South Pacific Conference, explained that “Sea-level rise and storm surges are posing a major threat to many of the atoll and coastal communities in the region, and seawater intrusion has real potential to destroy the only fresh water supplies in many of the atolls.”⁵²

The meaning of the threat potentially rising sea levels hold for the islands has been expressed eloquently by Epli Hau’ofa, echoing sentiments voiced in the FSM decades ago. “Our region,” he writes, “is characterized as the ‘hole in the donut,’ an empty space. We should take careful note of this because if we do not exist for others, then we could in fact be dispensable.” He then points to the examples of Banaba and Bikini, two islands virtually destroyed by their European and American colonial rulers. The Bikini people, he reminds us, were coaxed to give up their island for “the good of mankind.” And so it may be “that for the survival of the human species in the next millenium we in Oceania will be urged, in the way the people of Banaba and Bikini were urged, to give up our lands and seas.”⁵³ Lest there be any doubt about that to which he refers, he explains that “most ominously, the specter of our atoll islands and low-lying coastal regions disappearing under the rising sea-level” is in the offing.⁵⁴

⁵¹ Pacific Islands Forum, 31st Pacific Islands Forum, Tarawa, 27-30 October 2000, Forum Communiqué 2000, p.5, emphasis added.

⁵² Levi, p.3.

⁵³ Epli Hau’ofa, “The Ocean in Us”, *Contemporary Pacific* 10, 1998, p.5-6.

⁵⁴ Ibid, p.8.

Conclusion

I have wound my way from the Tonkin Gulf to Hainan to Micronesia and into the South Pacific. I have done so in order to explain clear the context in which the current news from Washington, DC, unfolds. To put it simply, the Bush administration has made it quite clear that it intends to disregard world opinion on an array of subjects that have enormous importance to and impact upon the rest of the world. It plans to proceed largely on its own, even as it insists that operates in everyone's interests. This is an outlook well-known in the field of international relations as the "harmony of interests." I have my own students begin their studies with E.H. Carr's masterful demolition of the harmony of interests asserted by the US and its allies at Versailles, in the wake of World War One.⁵⁵ Carr wrote in the months preceding the outbreak of World War Two, arguing before the war had even begun that it was not only inevitable but a direct consequence of the victors' refusal to acknowledge that a settlement that was in what they conceived to be the Allies' best interests was not perceived by others to serve *their* interests.

It is just this sort "harmony of interests" myopia that allows the US to engage in its routine provocations even as it manages simultaneously to deny that it is doing anything provocative—precisely because it defines its action as merely routine.

The US government has, since the Bush administration found its circuitous way into office in January, announced that it will undertake to reinvigorate work on an anti-missile shield and unilaterally withdraw from the anti-ballistic missile (ABM) treaty. This has, of course, raised protests throughout the world. And when, a few weeks later, the US failed to be elected to a seat on the United Nations' Human Rights Commission, the House of Representatives, in a fit of pique, voted to withhold a quarter billion dollars in dues from the UN. I can think of no more apt illustration of the principle that in the realm of international political relations the US government's attitude is that it can and will do pretty much as it pleases—and that if it is prevented from doing so, others will suffer the consequences.

⁵⁵ E. H. Carr, *The Twenty Years Crisis, 1919-1939*, New York: Harper Torchbooks, 1964 (Originally published 1939).

As the extent of the energy crisis in the US becomes increasingly apparent, the administration has revealed plans emphasizing increased production at the expense of conservation. Vice President Cheney was explicit about this: “Conservation may be a sign of personal virtue, but it is not a sufficient basis for a sound, comprehensive energy policy.” The implications of this policy shift highlight the administration’s earlier announcement that the US is withdrawing as a signatory to the Kyoto Protocol on global warming. And in case there might be doubt about whether the administration fully grasps the rest of world’s view of this decision, it is worth noting that the US State Department’s survey of 80 news reports from 43 countries around the globe acknowledges that “The US withdrawal from the Kyoto Protocol last week—which was roundly censured by the media as an act of US unilateralism and ‘selfishness,’ and an ‘abandonment’ of the superpower’s international responsibilities—continued to meet with sharp criticism overseas.”⁵⁶ In the present context perhaps the Philippines’ Secretary of Environment and Natural Resources Alvarez sums the response up most cogently. “The US withdrawal has serious portents for island nations such as the Philippines, which are vulnerable to the dire effects of global warming.... In a very real sense global warming is a real threat to the safety and security of island nations such as the Philippines.” He argues that the US decision is, moreover, inconsistent with the security arrangements binding the US and the Philippines.⁵⁷

US energy policies and the Kyoto decision are immediately interpreted as direct threats to the stability, security, and even existence of Pacific island nation-states.

At the same time, the administration speaks of the increasing importance of the Pacific in its policies. Singapore’s new Changi Naval Station, intended to accommodate US carriers, provides material evidence of this. The *New York Times* reports that “A confidential strategy review has cast the Pacific as the most important region for military planners.” Much of the Pacific command’s work “also involves efforts to strengthen ties with other militaries in the region.” CINCPAC is basing more submarines and cruise missiles in Guam, and an

⁵⁶ Department of State, “‘Abandoned’ by US, Kyoto Protocol an ‘Ailing Patient.’” Office of Research, Issue Focus, Foreign Media Reaction, April 5, 2001.

⁵⁷ Xinhua, “US Withdrawal from Kyoto Protocol Criticized,” Xinhua News Agency, April 22, 2001.

⁵⁸ *New York Times*, May 17, 2001.

increased number of carriers will spend time cruising in the Western Pacific. Inasmuch as China is developing new weapons, there will be “a serious new threat to military bases and carriers in the region, a problem the Pentagon has dubbed ‘access denial.’”⁵⁸ The current debate in the Pentagon seems to turn on the question of just how close to East Asia US forces can be stationed. In any case, however, the islands of the Pacific are still viewed as little more than an arena in which a struggle may be fought—or through which combatants are likely to pass.

And given President Bush’s assertion in the wake of the EP-3 incident that the US recognizes an obligation to defend Taiwan if it is attacked by China, with “Whatever it took to help Taiwan defend themselves,” there is ample reason to be concerned.⁵⁹ None of this would seem to bear out 1998’s *The United States Security Strategy for the East-Asia-Pacific Region*, which boldly proclaimed the progress the US believes it has made “to respond to local concerns, and to be better neighbors” and to “foster an understanding of cultures, values and habits of other societies.”⁶⁰

The US has a history of provocation in the Pacific. Its government and its military deny that it acts provocatively, to be sure. We are currently looking at an incident off the South China coast that should—but seems not to—remind us of what led to escalation of the American war in Vietnam, turning what was in effect a civil war into global combat. Given the flash point in the South China Sea—international rivalry over the Spratly Islands—and the extraordinary degree of instability in Indonesia, open hostilities in the region are hardly unlikely. But the islands which border this Rimland, and which provide access routes for the aircraft carriers whose presence would be inevitable in the event of hostilities, are also on the receiving end of provocative policies and actions.

US policies on factors affecting global warming can be construed in no way other than as provocative to Pacific island countries. In the same way that the US has historically relied on claims that its actions are routine, it now asserts in a harmony of interests mode that it is doing only what is wise and necessary and that its decisions are measured.

⁵⁹ *New York Times*, April 26, 2001.

⁶⁰ Department of Defense, *The United States Security Strategy for the East-Asia Pacific Region*, Washington, D.C., 1998, p.13, 15.

There we have it. Routine provocation and denial. In the past, and indeed on April 1st, when the EP-3 went down, the US deemed its provocations measured and reasonable and thus denied that they were provocative. I see no sign that the current US administration has made any effort—indeed, thinks any effort is even called for—to measure the responses of the Pacific island peoples to the dangers it threatens them with. Any East Asia strategy that calls for access to the Pacific, or for strategic denial, which is what the US has always demanded in Micronesia, while it stimulates the possibility of open hostilities along the Rim and simultaneously courts antagonism, and even revulsion on the part of those who inhabit the islands bordering it, heads the US toward a rude awakening.

Responding to Threats to the Pacific Islands Region in the South Pacific

By Ron Crocombe

Introduction

I have selected just four features to illustrate some regional dimensions of local, regional and international threats. The first is that Pacific Islands regional security cooperation is not as extensive in practice as it appears in structure. The second is that of the threats from outside the region, the most concern is expressed about those from China and Indonesia. The third is that of the internal security issues that are apparent across the region, ethnicity is the least understood. The fourth is that perhaps its time we got beyond thinking that reciting the mantra of democracy will cure the ills of the Pacific.

Pacific Islands Regional Security Cooperation:

Bigger in structure than in operation

The potential for cooperation is big because populations and economies are small, so each one has limited security services, but even if they all work together, their capacity is still quite small. The regional security-related organizations include:

- 1) *The Pacific Islands Forum* (of prime ministers and presidents, meets once a year—the location rotates).
- 2) *The Forum Secretariat* (has a permanent staff concerned with security related issues, based in Suva).
- 3) *The Forum Regional Security Conference* (involving heads of police, customs, immigration, prisons and the like—the location rotates).
- 4) *South Pacific Chiefs of Police Conference* (meets annually and has a permanent secretariat—rotates).
- 5) *South Pacific Islands Criminal Intelligence Network (SPICIN)* (Based in Pago Pago).
- 6) *Project Cook* (for tracking yachts and small aircraft—based in Honolulu).
- 7) *Oceania Customs Organization* (permanent secretariat in Brisbane).
- 8) *Regional Heads of Prisons Meeting* (rotates).
- 9) *Pacific Islands Immigration Directors Meeting* (rotates).

10) *Pacific Islands Law Officers Meeting* (to harmonize laws, legal practices, extradition, and similar matters—rotates).

So there is no shortage of coordinating bodies.¹ As the names show, they are mainly consultative, although some have permanent secretariats. But costs are high because each Pacific Islands nation averages only half a million people, or fewer than 200,000 per country if Papua New Guinea is excluded. Additionally, distances are long and travel costs among the highest in the world.

The Forum, as the pinnacle institution, has tried to formalize security cooperation, but with only moderate success. The first attempt was the Honiara Accord of 1992 to facilitate police cooperation. Partly because of the Accord's limited use, the Aitutaki Declaration of 1997 took the process a step further. And because of Aitutaki's limited success, the Biketawa Declaration of 2000 went a little further. How effective the Biketawa Declaration will be remains to be seen. It requires extensive consultation, non-interference in the internal affairs of member nations, and that nothing be done without general consensus. Pacific Islands countries have not been prepared to go as far with implementation of these or other agreements as was wished by Australia and New Zealand, which initiated the above three declarations.

To take one example of potential cooperation, the proposal for status of forces agreements (SOFAs), which would enable more ready responses to requests for regional security cooperation, received limited support. Bilateral SOFAs or other defense agreements between an individual Pacific Island country and a metropolitan country are more common.

Most security-related cooperation, including regional cooperation, is paid for from outside the Islands. That reflects both the limited economies of the region and the fact that Pacific Island security is of sufficient interest to Australia, New Zealand and USA that they pay much of the cost, directly or indirectly.

That is even more so for military matters than for police or customs issues. Only five Pacific Island countries have military or paramilitary forces, and they

¹ For details of the nature and functioning of Pacific Islands regional organizations, including those directly concerned with security issues, see Ron Crocombe, 2001, *The South Pacific*, Suva: Institute of Pacific Studies, University of the South Pacific.

generally interact only when financed by Australia, New Zealand, USA or France. Even more of their interaction is with one or another of those four metropolitan countries bilaterally.

The criminal and other nonmilitary security risks used to come more from the four metropolitan countries mentioned, but now a growing proportion is from East Asia and beyond. So the task becomes more complex and few countries are equipped to deal with the new sources of external crime.

Of threats from outside the Pacific Islands, most concern is expressed about those involving China and Indonesia

Half a century ago Japan was seen as the only major threat, but now Japan's image is one of the most positive. The reversal was achieved by vigorous diplomacy, a generous aid package, and extensive public relations including taking many Pacific Islanders to Japan for education, conferences or familiarization, and an international reputation for avoiding conflict.

In the 1970s the fears were focused on the USSR, but those fears vanished more than ten years ago.

Two main kinds of threat receive most mention in the region today: those from governments and those from non-government actors engaged in criminal or other negative activities. The two sources most commonly mentioned in the Islands are China (in relation to governmental actions), and Chinese people from China, Taiwan and Southeast Asia (in relation to crime or other harmful activities—as well as to many beneficial ones); and Indonesia in respect of unwelcome military activity.

Chinese began settling in the Pacific Islands from the mid 1800s. They became known for hard work, enterprise, and minimal involvement in crime or politics. Many of them married Pacific Islanders. The long established Chinese are generally respected citizens of the Pacific Island nations and territories.

The new wave of Chinese, however, has not achieved that standing for several reasons:

1) They are new arrivals, mainly during the past ten years, and few have learned

the languages or adapted to the local society.

2) Whereas the earlier arrivals came at a time when contacts with China and other Chinese elsewhere were minimal, now contact is so easy that it reduces the incentives to absorb into the local communities.

3) They are in many cases competing aggressively with Pacific Islanders in small business and primary production, and putting many Islanders out of business.

4) Many of them are illegal immigrants, and many have associations with organized crime (to take a spectacular one of many instances, the world's third largest consignment of heroin ever intercepted by police was organized between Chinese abroad and Chinese immigrants in Fiji handling its international distribution).²

5) China's government has a record of claiming responsibility for the security of all persons of Chinese ancestry, irrespective of their citizenship. Given China's very active interest in the Pacific Islands, one now hears expressions of concern about the future possibility of conflict arising between Pacific Islanders and Chinese settlers, and of the government of China taking action on behalf of the latter.

The vigorous competition between China and Taiwan for support in the islands also has security implications. However, I have never heard any fear expressed about potential aggression by Taiwan, only by China.

One also hears concern expressed about whether the government of China condones or even facilitates the settlement of Chinese people in the region, including illegal immigrants, in order to provide a long-term population and interest base in the region.

Most security threats in the region are linked to crime rather than war (although some in Melanesia have been political and involved small-scale warfare) but the distinction between what is "legitimate" business and what is "crime" is far from always clear.

Businesses that are not overtly linked to crime may also constitute a security hazard. This has been most marked with corruption, mainly by ethnic Chinese

² "Huge heroin haul in Fiji," BBC News, October 29, 2000.

logging contractors throughout Melanesia, and some instances involving other resource extraction, as well as in respect of the passport scams that most Pacific islands governments succumbed to.

China and other countries of East Asia are growing in importance for the Pacific Islands in trade, investment, aid, tourism, diplomacy, and security issues. So it is surprising that so few Pacific people bother to learn Chinese, other East Asian languages or cultures, or study their history, political systems, or economies.

Fifty years ago they were wise to learn about English-speaking countries with which they interacted. They still need a good understanding of those countries as they still interact closely with them. But they also need a good understanding of China and Taiwan, Japan, Korea, and the major countries of Southeast Asia. And particularly of the Chinese minorities in Southeast Asia, for they are responsible for much of the commercial interaction with the Pacific Islands, and relations Asia are largely commercial.

To take one example of the cost of the lack of understanding, the heroin trade by Chinese merchants in Fiji has long been known, but it was not possible to achieve one conviction. As mentioned above, the world's third largest heroin haul was from Chinese in Fiji, but it was only discovered because of Chinese-speaking police officers in New Zealand. (Incidentally New Zealand had not prepared itself for this relationship either, but it was able to afford to hire Chinese-speaking English officers who had served in Hong Kong. Fiji police tried to hire the same skills but could not afford them). In security matters as in other relations, it will benefit the Pacific region to get to know China and other Asian neighbors better.

Indonesia and Indonesians are even less well known in the region than China and Chinese. What little is known about Indonesia relates to West Papua and East Timor. Indonesia is known for its invasion, forced takeover and brutalizing of the East Timorese and for its takeover of West Papua, for the faked "Act of Free Choice" by which that takeover was confirmed, authoritarian rule and almost daily reports of violence by Indonesian "security forces" against Melanesian people.

Ethnicity is the least understood security issue in the region

Most security problems in recent decades have been internal. They have developed from the interaction of cumulative frustrations which in all cases seem to have included ethnic tensions, land disputes, economic stagnation combined with growing gaps between richer and poorer, and problems of governance causing reduced public confidence in Pacific governments.³

I'll focus here on ethnicity because it is the issue around which the others tend to coalesce when frustrations break into violence.

Of course there are many bases for political organization and polarization in the Pacific islands—any number of policy issues, class differences, geographical groupings, and so on. And yet ethnicity keeps emerging as a more important determinant of politics and security in this region than non-indigenous observers in particular think it is or ought to be. But scholarship should be about understanding what is, not what we wish it was. Only then can we helpfully suggest what might be. And in that, the social “sciences” are so unscientific that our guesses and hopes may be no more right or wrong than anyone else's.

It is probably true that if the economic and governance problems were solved, the ethnic tensions would shrink. But progress on the economic and governance fronts is slow, and in some cases in the region has gone into reverse, so I expect ethnic tensions will remain an important security factor.

In future I expect people will look back on this era as one in which ethnicity was the least understood factor in Pacific Islands security environments. Simply discounting, discrediting, or condemning it may help to explain our own values, preconceptions, interests and political actions, but it does not help us to understand what is going on, or is likely to go on, in the region.

For example, in an otherwise excellent article by one of the most knowledgeable observers of Fiji, Professor Brij Lal, compares the reaction across the Pacific to

³ The various factors, and the interaction between them, are elaborated in a report for the South Pacific Forum by Ron Crocombe, 2000, entitled “Enhancing Pacific Security” and published by the Forum Secretariat, Suva; and in a keynote address entitled “Security Challenges in the New Millennium” to the conference on “The South Pacific: Zone of Peace or Sea of Troubles?” at the Australian Defence Studies Centre, Canberra, 2000.

Fiji's coups of 1987 as against that of 2000. He says that whereas after the 1987 coup in Fiji "there was much sympathy for the Fijian 'cause' across the Pacific, now there is condemnation".⁴ But the evidence I see and hear across the Pacific does not support the latter part of that statement. Accounts of what went on at the leaders retreat of the 2000 Pacific Islands Forum in Tarawa are among many indicators that call Lal's statement into question.

In principle it is amazing that most Pacific Islands leaders who were themselves democratically elected, sympathized not with their fellow prime ministers who were violently overthrown in Fiji in 1987 and 2000, but with those who overthrew them—or at least with their cause. The main reason they did so, I believe, was because the feeling of identification as indigenous leaders was stronger than their identification as heads of governments.

If the strategists of the Fiji Labour Party had had a deeper understanding of ethnicity, I believe, not one of the three coups in Fiji would have occurred, and Fiji would today be much more secure and prosperous. Also, by now, ethnicity would be a smaller factor than it is in Fiji politics. Moreover, chiefs would occupy a smaller part of the nation's political space and action.

The reason the ethnic factor became so much more potent was that planners and politicians tried to bypass it rather than understand it and reach workable compromises. Nothing threatens Pacific Islands security more than trying to ignore ethnic realities.

In Solomon Islands, everyone accepts with hindsight that the government underrated the potential of the ethnic tensions between the Gualis (of Guadalcanal) and Malaitans. So did I, and for the same reasons. The government overrated the crosscutting ties; the common interests, the many friendships and marriages between the two categories, the common work and study experiences and so on. All of those are real, but they were still not enough to stop a lot of people being killed, massive property destruction, the wreckage of an economy and a society. The ripple effect of the core conflict created many minor ethnic conflicts throughout Solomon Islands, and negative spillover effects on Pacific

⁴ Lal, Brij. "'Chiefs and Thieves and Other People Besides': The Making of George Speight's Coup." *Journal of Pacific History* 35, no. 3 (2000): 282.

Island neighbors.

When frustrations on a range of criteria reach the breaking point, many other issues tend to become submerged and ethnicity is likely to take center stage. In fact, every single Melanesian country has seen major violence, political instability, economic loss and social suffering because of ethnic-based conflicts. Fiji in 1987 and 2000, Vanuatu in 1980 and to a lesser extent quite recently, Solomon Islands from 1999 and continuing, New Caledonia in the 1980s, West Papua ever since the Indonesian takeover in 1963, and East Timor until it achieved its independence—and is not over yet.

These have not occurred on the same scale in Polynesia and Micronesia, but many of the same tensions are present, and some have boiled over in the past, and could again in the future.

People with a serious interest in avoiding further internal conflicts in the region, especially but not only in Melanesia, will do more to try to understand ethnicity while at the same time working to improve the economy and system of governance.

Reaching Beyond the Mantra of Democracy

Democracy is such an “in” word that one has only to throw it into a debate to negate all other views. It is also used so loosely that its analytical value gets ever more compromised. Perhaps it is time for us to look more deeply at the details of the forms of government in the region and elsewhere.

Most countries in the world describe themselves as democracies despite radically different forms and practices. But one common assumption is that the voter determines the policies and practices of the government. It is increasingly a myth.

Studies of the New Guinea Highlands over many years by such scholars as Bill Standish in 1996 and Joe Ketan in 2001 and others have shown for a long time

⁵ Among many such studies, two of the classics are Bill Standish, “Elections in Simbu: Towards Gunpoint Democracy?” in Yaw Saffu, ed., *The 1992 Papua New Guinea Elections: Continuity and Change in Electoral Politics*, Canberra: Australian National University, 1996; and Joseph Ketan, *The Name Must Not Go Down: Political Competition and State-Society Relations in Papua New Guinea*, Suva: Institute of Pacific Studies, University of the South Pacific, 2001.

that those who get elected are those who control the trade in illicit drugs and illegal guns, who control the transport industry, and who bribe, extort and intimidate most successfully.⁵ Their getting the vote is merely a ritual performed to make their power “legitimate” for the national legal system and for the international community.

The present government of Solomon Islands is questioned (with good reason) because it was installed by violence and threat of violence. At least it was decided by Solomon Islanders. But the 1992 change of government, which was accepted by the international community, was decided by Asian loggers who wanted to enrich themselves by impoverishing Solomon Islanders. They spent millions to “persuade” ministers who were trying their best to look after Solomon Islanders’ interests, to cross the floor and look after the loggers’ interests instead. They succeeded because it was done within the required rituals of “democratic” legitimacy.

Anyone familiar with the politics of Vanuatu will be well aware of the skill with which the “democracy” game is played to enhance certain foreign interests and those of their local compradors to the tragic disadvantage of the vast majority of ni-Vanuatu.

I live in the Cook Islands. In 1978, Mr. Finbar Kenny, a stamp dealer in New York who had the contract for Cook Islands stamps, was able to have the government of his choice elected without even leaving New York. In the judgment on the case, Chief Justice Sir Gavin Donne disallowed votes “tainted by bribery and corruption.” The decision further “noted that Kenny, an American whose firm [the Cook Islands Government] gave a monopoly on Cook Islands philatelic and numismatic sales, had assured Sir Albert [the Cook Islands Premier] of Finance for electoral purposes.”⁶ Since then we have had some

⁶ Iaveta Taunga o te tini Short, “The 1978 Election Petitions,” in *Cook Islands Politics: The Inside Story*, Auckland and Suva: Polynesian Press and the South Pacific Social Sciences Association, 1979, p. 237. The Chief Justice recorded that Finbar Kenny had asked the Cook Islands Government to take steps to protect him from the U.S. Foreign Corrupt Practices Act of 1977 (known as the Lockheed Law, because it was brought in to preclude prepetitions of the scandal of the corruption in the sale of planes by Lockheed to Japan in return for electoral donations), but the Chief Justice noted that it was not his role to decide whether there had been a breach of U.S. law. The Chief Justice concluded, “I find that there was unlawful conduct of monumental dimensions and there is ample evidence of a corrupt or criminal intention.” Kenny pled guilty and repaid to the new (continued)

instances of even more insidious involvement from Australian organized crime helping to decide who Cook Islanders will vote for.

Throughout much of the region, one could cite examples to show that the public interest is less and less a factor in determining who will govern and how they will govern.

Edward De Bono recently said in a public meeting in Rarotonga that the age of democracy was coming to an end. He pointed out that for hundreds of years in Europe the dominant ethic in relation to government was the divine right of kings. Churches provided the software of ideas to hold them in place, and armies provided the coercive hardware.

Nevertheless, the concept of divine right of kings was an advance over the previous situation of small autonomous tribes engaged in frequent battles for survival. The kings allowed the development of trade and of some knowledge, but by the Middle Ages that system of government was itself becoming an obstacle to further advance. The concept of democracy then became slowly absorbed, and it provided a framework for tremendous advances in knowledge, and in social, economic and political development.

Now, De Bono says, democracy is becoming the constraint. It is based on dividing political leaders into two teams in a constant struggle for power, and on a judicial system based on classifying everything as either true or false, or right or wrong. Today, that is much too simplistic, and ordinary people are having less and less influence on who governs and how.

De Bono was not advocating any particular system (although he makes a few tentative suggestions in his book *New Thinking for the New Millennium*).⁷ He makes it clear that none of the present models is suited to the needs of the 21st century. The task is not to be confined to the current boxes, but to think forward

⁶ (continued) Cook Islands Government equivalent to the corrupt payments he made. He was also convicted and fined by the Cook Islands Court. The court case itself can be found in C.J. Donne, 1978, "In the Matter of Elections of Members of the Legislative Council of the Cook Islands..." [Rulings by the Chief Justice], Rarotonga.

⁷ Edward De Bono, *New Thinking for the New Millennium*, Los Angeles: New Millennium Press, 2000.

and evolve new systems adapted to the new needs. The new system is likely to be as different from the current “democratic” system as the democratic system is from the divine right of kings.

Constitutions in the Pacific (as in most of the former colonies—which is most of the world’s nations today) were shaped mainly by advisers and ideas working from European colonial models. Little attempt was made to understand the indigenous systems or to incorporate elements from them—almost none of the advisers spoke the language or understood the cultural principles of those he was advising. It is time for a deep rethink by Pacific Islanders, looking both back to those elements of their own culture which still determine behavior and which may still have relevance for inclusion in a new and living model of governance; and forward to those elements which no one thought of at the time the constitutions were made, and which constitution makers do not think through today.

This is not a criticism of any Pacific or other constitution. All were genuine attempts by those who made them, working with the models and concepts available to them. But times are changing and some models are not the best sources of security or anything else in the region. The forms of Pacific governance are likely to be in for radical change in the coming decades. The “international community” is likely to be one influence in the process, but who shapes the voice of the “international community” is likely to change for the Pacific in the near future.

In the recent Fiji troubles, for example, Australia and New Zealand have taken a leading role, claiming to be the voice of the “international community.” But East Asian countries did not support their stance, and East Asian countries are a growing influence in the region.

We may make more progress with Pacific security and prosperity if we set aside the mantra of democracy and concentrate on the specific goals to which people aspire. They seem to include more consultation and participation, more accountability of leaders, and finding ways to select leaders who are not so characterized by their personal ambition or to advancing their own interests as the “democracy” model provides, or to their skills in television acting or to their control by the lobbies who keep them in power. There are other ways of design-

ing leadership and government. The security of the Pacific may be better served the more we work to evolve them.

Surviving in a Sea of Troubles: Beyond Regional Cooperation

By Jim Rolfe

Introduction

The title of this chapter is deliberately taken from that of a conference in Canberra in 2000.¹ Speakers at that conference had mixed views on the dichotomy inherent in the conference title. Most recognized that there were troubles and threats in the region, but many doubted that the region was less stable than in previous eras or less stable than other regions. The assumption underlying this paper is that although the region is at peace with itself, the range of issues that has to be faced now and that will become more salient in the future means that while the term ‘Sea of Troubles’ may be an overstatement, it is no more so than the alternative conference description: ‘Zone of Peace’.

Clearly, there are threats to peace and stability in the region. They range from threats to human security, sometimes caused by governments against their own citizens, to high level threats to the environment. There is a regional consensus on many of the threats – especially those that relate to the environment and on transnational criminal behavior.² Crocombe notes that a combination of ethnic tensions, land disputes, economic disparities and a lack of confidence in government are now the most serious threats to face individual states and the region. These issues have not received much attention as ‘regional issues’

¹ ‘The South Pacific: Zone of Peace or Sea of Troubles’, Australian Defence Studies Centre, Australian Defence Force Academy, 17-18 August 2000.

² Discussion of the threats faced by people and states and the ways these relate to sovereignty is a commonplace of the literature on Oceania. See for example: James Gosselin, ‘Security Through Economic Reform and Regional Cooperation: A View from the Cook Islands’, in Peter Polomka and David Hegarty, eds., Polomka, Peter and David Hegarty editors, *The Security of Oceania in the 1990s, Vol. 1: Views From the Region*, South Pacific Security Project, Canberra Papers on Strategy and Defence No 60. Canberra: Strategic and Defence Studies Centre, Australian National University, 1989; Stephen Henningham, *The Pacific Island States: Security and Sovereignty in the Post-Cold War World*. London: Macmillan, 1995; Ramesh Thakur, ‘Security Issues on the South Pacific Agenda’, paper prepared for the Conference on *Asia-Pacific Security: The Challenges Ahead*. Canberra: Australian College of Defence and Strategic Studies, 27–28 November, 1995; Des Ball, *Building Blocks for Regional Security: An Australian Perspective on Confidence and Security Building Measures (CSBMs) in the Asia/Pacific Region*. Canberra: Research School (continued)

because they are 'sensitive'.³ By this, Crocombe seems to mean that the issues cannot be addressed at a national level because they would tend to limit local elites and they cannot be addressed at a regional level because they are 'national' issues.

Many of these issues are the so-called 'Gray Area Phenomena' (GAP) issues, defined as 'threats to national and international security and stability by non-state actors and non-governmental organizations and processes'.⁴ These GAP issues pose threats to state security different from those posed by more 'traditional' issues. They typically can not be made the responsibility of any polity and their effects are often ignored until they reach the stage of destabilizing the state completely.

The traditional concept of external security in its purely military form is scarcely applicable to the South Pacific where, because of the lack of military capacity, the small island states cannot pose a threat to each other and larger external powers have no interest in posing a military threat. This happy state will not necessarily last, but in the short to medium term at least, external military threats can probably be discounted.

Most regional problems have involved 'soft' issues of the environment and resource degradation. Now, however, the regional security agenda includes more traditional issues involving state sovereignty, regime survival and questions of intervention. Ethnic turmoil in Vanuatu and New Caledonia in the 1970s and 1980s could perhaps be dismissed as aberrations. Since then, there have been coups in Fiji in 1987 and again in 2000, conflict in Guadalcanal in 1999-2000 and less intrusive ethnic conflict and tensions in other parts of the region. There is increasing concern over the problems of lawlessness in individual states,

of Pacific Studies, ANU, 1991; Francis Saemala, 'Security Goals and Strategies in the Solomon Islands', Peter Polomka, David Hegarty, eds. 1989; and Roderic Alley, 'Regional Ordering in the South Pacific', *Pacific Focus: Inha Journal of International Studies* XI, 1, Spring: 47—65. 1996. The wider question of regional security is more difficult. Individual states may be insecure yet the region may still be secure. See the discussion in Jim Rolfe, 'Pursuing comprehensive security: Linkages between national and regional concepts: some implications', Mohamed Jawhar Hassan and Thangan Ramnath, eds., *Conceptualising Asia Pacific Security*. Kuala Lumpur: ISIS Malaysia, 1996.

³ Ron Crocombe, *Enhancing Pacific Security*, A report prepared for the Forum Secretariat for presentation at the Forum Regional Security Committee Meeting, June 2000.

⁴ Peter Chalk, *Non-Military Security and Global Order*, London: Macmillan, 2000, p.2.

especially Papua New Guinea, the role of the armed forces as a threat to security rather than a guarantor of it, and a continuing lack of democracy in some Pacific Island states leading to authoritarian rule at best and completely anti-democratic practices and corruption at worst.

As well as these obvious and well-recognized ‘threats’, there are changes in the global environment (often lumped under the term ‘globalization’) that will force the states of the region to respond.⁵ Maoate described the concerns like this:

*Like a tornado you cannot control it...we are all affected by it...We worry about globalization because we can see the economic gains have been spread unevenly. We worry about the speed at which short-term capital can flee a country thereby hastening financial crises. We worry about our diminishing ability to create social safety nets for our people and about letting labor and environment standards slip in our need to remain internationally competitive...It's all worry, worry, worry.*⁶

There is an additional factor in the Oceania region. That of size. Most of the states are small, either in their geography, their population, their economy or in all of these. Some of the states are so small as to be not viable without considerable external assistance. Small size clearly limits the range of activities the states can undertake. It also means that many issues (such as those of corruption or malgovernance) can not be raised effectively, especially when, as is often the case, the transgressors hold the levers of power. Some of these quasi-states could easily become failed states with consequent effects for the citizens of the states themselves and, potentially, for the whole region.

It is my thesis in this chapter that regional states will not be able to meet the challenges, either of the GAP and other issues Crocombe and others raise or of the wider globalizing issues. Broadly, this is because the issues are either simply too big for the states to deal with or because the issues by their very nature require solutions at regional level. The countries will need to do more than

⁵ Globalization in this sense is the sum of the forces that remove the ability of any state to act as if it were completely sovereign. In the Oceania region that will have effects, for example, as the international community demands democracy in the face of traditional practices, as transnational and international economic activity impact upon the individual states and as tourism brings new cultural practices to previously remote areas.

⁶ Terepai Maoate, ‘Pacific Island Economies in an Era of Globalization’, Speech at the *Sixth Pacific Islands Conference of Leaders*. Honolulu: East-West Center, 2001.

cooperate, which they do now. They will need to integrate.

Cooperating for security

The Pacific Islands Forum has a vision of a region in which members cooperate in efforts to ensure, amongst other things, security.⁷ Crocombe also argues that wider coordination, a greater degree of cooperation between government and civil society, is one key to increasing security against the kinds of threats he identifies.⁸

This concept of ‘working together’, of cooperating, is important. In the Pacific, under the principles of the Pacific Way, ‘unanimous compromise’ is the ideal outcome - that is, ‘some are expected when possible to endure personal sacrifice so that the community as a whole will have harmony’.⁹ Harmony is the important concept here. Unanimous compromise (the term was devised in 1975 by Cook Islands’ Prime Minister Albert Henry) has the underlying thought that nobody gets left out and on ‘important’ issues (important that is to the state concerned) no commitment can be made against any state’s wishes.¹⁰ This is practical cooperation at work.

We may see, then, an:

*ongoing quest towards a community of Pacific Island States in which each member country cares and takes practical measures to resolve the problems of others through cooperation in economic, social, cultural and security matters. The evolution in this direction is, and will remain, a constant one.*¹¹

The conventional wisdom is that the network of cooperative institutions in the South Pacific is unmatched elsewhere in the developing world in terms of effectiveness.¹² This effectiveness is because the island states have:

⁷ South Pacific Forum, ‘Vision Statement’, Madang, Papua New Guinea, 14 September 1995.

⁸ Crocombe, *Enhancing Pacific Security*.

⁹ Michael Haas, *The Pacific Way: Regional Cooperation in the South Pacific*. New York: Praeger, 1989, p.5.

¹⁰ *Ibid* p.11.

¹¹ SPPRG (South Pacific Policy Review Group), *Towards a Pacific Island Community*. Report of the (NZ Government) South Pacific Policy Review Group. Wellington, 1990, p.3.

¹² John C. Dorrance, ‘An American Perspective’, in F. A. Mediansky, editor, *Strategic Cooperation and Competition in the Pacific Islands*. New South Wales: Centre for South Pacific Studies, University of New South Wales, 1995, p.29.

*developed a substantial if informal collective security arrangement, which has for the most part handled adeptly perceived intrusion into the South Pacific ... In general, through its preeminent organisation, the South Pacific Forum [now Pacific Islands Forum], creating several subsidiary bodies, the region has considerably moderated economic resource exploitation by outsiders and the amount of environmental damage which may have been done.*¹³

South and Veitayaki for their part note that any failures of regionalism are outweighed by the successes which have allowed these small states to grow individually as well as use their collective voice.¹⁴

Cooperation and the collective voice do a number of things for the region. They give economies of scale; important for states as poor as most of those in the region. They give a combined and collective voice internationally; important in forums where each state has one vote. They reinforce the sense of community; important (as will be discussed below) for promoting and ensuring trust between the states. All are important for ensuring security, both for individual states and for the region as a whole.

Cooperation's Problems

Not everyone is so sanguine about cooperation. In Oceania, 'it has a record of only partial success'.¹⁵ There have been specific cases where 'unanimous compromise' has meant that the collective has had to give way to the individual. Most recently, Australia did not allow the 1997 Forum to support uniform and binding greenhouse-gas emission-targets (a salient issue for the region because of global warming) in its post-Forum communiqué.

Alley notes that creating a regional order in the South Pacific involves negotiat-

¹³ Ken Ross, *Regional Security in the South Pacific: The Quarter-century 1970-95*, Canberra Papers on Strategy and Defence No. 100, Canberra: Strategic and Defence Studies Centre, Australian National University, 1993, p.18.

¹⁴ Robin G. South, Joeli Veitayaki, *Global Issues in the South Pacific: regional approaches to workable arrangements*. Asia Pacific School of Economics and Management: Studies Online 99-1. Canberra: Asia Pacific Press at the Australian National University, 1999, p.47. Downloaded from <http://ncdsnet.anu.edu.au> 26 June 2000.

¹⁵ Richard Herr, 'Regional cooperation in the 1990s: An Assessment', in Richard Herr, editor, *The Forum Fisheries Agency: Achievements, Challenges and Prospects*. Suva: Institute of Pacific Studies of the University of the South Pacific, 1990, p.345.

ing between international norms of good and open governance on the one hand and situations where domestic practices are less than optimal on the other.¹⁶ In many of the region's countries the rule of law is suspect, governments are weak and public policies developed in an arbitrary way. Alley argues that exogenous factors (such as French colonization and nuclear testing) are diminishing as a force promoting cooperation and that the region needs to look to its internal resources to ensure that cooperation produces benefits for all.¹⁷

In some areas cooperation does not occur. Current processes cannot deal with any issue that a state does not want discussed or dealt with cooperatively. Former New Zealand Prime Minister David Lange is reported as commenting that 'in no circumstances will anything be discussed, no matter how important, which involves the internal affairs of a member. We met in Apia in 1987, shortly after the Fiji coup and pretended it hadn't happened'.¹⁸ Similarly, the secessionist movement in Bougainville was not discussed as a regional issue by the Forum until 1997, 10 years into the war and when a solution was in sight.

In other areas, cooperation cannot occur because of a lack of resources. Crocombe notes that harmonization of laws is important but that small countries 'cannot afford the range and number of legal and related experts which a sovereign nation needs to keep up with an ever more complex and inter-related world'.¹⁹ Maoate agrees. The Cook Islands achieves a lot but with 'a fragile economy, and limited physical and human resources'.²⁰ Maoate's argument is true for many Forum members.

The multilateral cooperative institutions are also a worry to some. According to Maoate 'we need to talk about what ways we want these organizations to be better so they do not just exist for us as empty frameworks of cooperation. We have to give them real meaning, otherwise they will remain totally ineffective'.²¹

¹⁶ Roderic Alley, 'Regional Ordering in the South Pacific', *Pacific Focus: Inha Journal of International Studies* XI, 1, Spring, 1996, pp.47—65.

¹⁷ Since Alley wrote, the forces of globalization have probably replaced these other issues as exogenous drivers. Many of the issues now being faced by the Pacific Island states are endogenous and hence more likely to be divisive.

¹⁸ *Dominion* (NZ), 'Pacific Forum goes on Trial', 27 October 2000, p.10.

¹⁹ Crocombe, *Enhancing Pacific Security*.

²⁰ Maoate, 'Pacific Island Economies in an Era of Globalization'.

²¹ *Ibid.*

Maoate argues that the organizations are players separate from the member states and with rules and procedures that many of the member states do not understand or cannot utilize.

Conceptual Musings

How should we evaluate cooperation in the region? There seem to be three possibilities. The first is that cooperation is alive and well and needs nothing more than some fine-tuning. This seems to be the position adopted by the Forum. The second is that cooperation is doomed in the longer term. States cooperate, in this view, because it is in their current interest to do so, but that cannot last. Ultimately, states will assert their national self-interest whenever that comes in conflict with any other interest. That is the realist view. It cannot be tested, certainly not for the future. The third, which I adopt here, is that cooperation has worked but that current efforts are not sufficient. There are two reasons why I argue that current efforts are not sufficient. The first is for the good normative idealist reason that cooperation itself is good and that more is better. I will not extend that argument here. The second is for reasons that are more pragmatic. The region is already struggling with cooperation to meet current needs and will struggle even more to meet the challenges of a changing international security environment. Closer and closer cooperation, leading in the long-term to some form of supranational authority, is both necessary and inevitable.

Herr notes that regionalism (regional cooperation) was essentially concerned with ‘the preservation and extension of state sovereignty’ rather than with the needs of the wider region.²² He argued then, that regionalism would have to grow with the needs of the region if it were to achieve its promise of being ‘vital to the success of the islands as nations’.²³ Herr’s view of a growing regionalism was of a process that would see more institutions used in more complex ways and, importantly, with a ‘greater level of authority for at least some of them’.²⁴ By this Herr explicitly meant that ‘we will observe at least the precursory steps toward supranational power in the region’, which would be ‘a pragmatic

²² Richard A. Herr, ‘The Future of South Pacific Regionalism’, in Robert C Kiste and Richard A Herr, eds. *The Pacific Islands in the Year 2000*. Honolulu: Working Paper Series, Pacific Islands Studies Program, Center for Asian and Pacific Studies, University of Hawaii, 1985, pp.70, 345.

²³ *Ibid.* p.74.

²⁴ *Ibid.* p.81.

response to a discrete regional management need'.²⁵

Herr was not looking specifically at security issues as such, but he was wondering how best to ensure the continued viability of the individual island states and of the region in the face of world in which relative disparities of wealth and influence were growing. This is a matter of even more salience in the face of today's hard security issues, rather than the soft security issues dominant when Herr wrote.

Herr was, in effect, (and perhaps unconsciously), looking to a form of Deutsch's pluralistic security community to ensure regional security.²⁶ In a security community, sovereign states have a dependable expectation of peaceful change within their region. A security community is a region in which there are shared values and beliefs, many sided and direct relations and reciprocity of conduct.²⁷ This is the kind of relationship countries of the Forum region want. It is also a relationship that the Forum's 'Vision Statement' recognizes and promotes.²⁸

A mature security community is one in which expectations of peace are institutionalized and behavioral norms reject violence.²⁹ A number of indicators demonstrate maturity. Decision-making and conflict resolution are consensual, reflecting trust between the participants. Members of the community are not considered as enemies, and political discourse and actions reflects community norms. On these counts, the region has reached maturity as a security community.³⁰ The question remains as to whether this will be sufficient for the future.

We may distinguish between 'loosely' and 'tightly coupled' pluralistic security communities. Loosely coupled communities maintain the minimum definition

²⁵ *Ibid.* pp.83-84.

²⁶ Karl Deutsch, Sidney A. Burrell, Robert A. Kann, Maurice Lee jr., Martin Lichertman, Raymond E. Lindgren, Francis L. Lowenheim and Richard W. Van Wagenen, *Political Community and the North Atlantic Area* Princeton: Princeton University Press, 1957.

²⁷ Emmanuel Adler and Michael N. Barnett, 'Governing Anarchy: A Research Agenda for the Study of Security Communities', *Ethics and International Affairs* 10: 63—98, p.74.

²⁸ South Pacific Forum, *South Pacific Forum Vision Statement*, issued after the Twenty Sixth Forum meeting, Madang, 1995.

²⁹ Adler and Barnett, pp.92-93.

³⁰ Adler and Barnett concentrate on military relations between the states within a security community, as much as on ideational matters. Military confrontation is barely an issue in this region, but the principles relating to security communities still seem to apply in the face of other forms of threat.

for a security community and no more, whereas tightly coupled communities are more demanding. Firstly:

They have a “mutual aid” society in which they construct collective security arrangements. Second, they possess a system of rule that lies somewhere between a sovereign state and a regional, centralized government; that is, it is something of a post-sovereign system, endowed with common supranational, transnational, and national institutions and some form of collective security system.³¹

A tightly coupled security community is one in which some degree of autonomy is relinquished with the understanding that security will be enhanced for all. The Forum region does not fit this definition. The Forum, and its states, still holds to Herr’s view cited above that state sovereignty is the basis of regional ordering. Cooperation is important for the members, but so too is a narrower national self-interest. A national veto may override the desires of other members and threaten wider security in the name of sovereignty.

Cooperation has worked well enough in the primarily technical and functional processes and issues (the non-traditional issues) faced until the mid 1980s. Since then, however, the Forum’s ability to respond to the increasing range of security issues has been limited because of the desire for unanimity and thus the effective veto over dealing with so-called ‘internal issues’. As well, in the future, for the reasons cited above by skeptics of regional cooperation, the Forum is likely to be even more limited in its ability to respond to the international environment as the issues become ever more complex and legalistic requiring more and more resources, especially of skilled people, to deal with them.

There seem, then, to be two processes at work in the external environment: the increasing regional salience of ‘politically sensitive’ issues; and the increasing complexity of the technical issues the Forum has primarily had to deal with. The Forum was established in 1971 specifically to deal with the ‘political’ issues not dealt with by the then South Pacific Commission. That ability is now problematic, as is its ability to deal with complexity.

In 1997, the Forum implicitly recognized the need for change and issued the

³¹ Adler and Barnett, p.73.

'Aitutaki Declaration'.³² This document recalled the region's commitment to 'regional and international cooperative security arrangements' and 'recognized that coordination mechanisms ... are already well developed'. Lest this reveal too much hubris, the Forum leaders went on to 'acknowledge that existing arrangements have not provided explicit mechanisms to facilitate consultations...'. The solution was to 'further develop mechanisms for preventive diplomacy' and for the Forum Regional Security Committee Meeting to be strengthened through 'the addition of a second session for consultations on broader security issues'.³³ The Forum Leaders also agreed that procedures should be developed and put in place to facilitate responses by the region's disciplined force, including early consideration of Status of Forces Agreements for this purpose.

There are signs that as issues of high politics become ever more salient the Forum will be pressed by some members to adopt a position on issues previously relegated to the 'too hard' basket. At the 2000 meeting of the Forum New Zealand Prime Minister Helen Clark and her Australian counterpart pushed for Forum processes to allow discussion of and action against member states that violated democratic norms. A Forum declaration, the Biketawa Declaration, was approved.³⁴ This will allow a range of responses to regional crises ranging from condemnatory statements to targeted measures - which could include suspension from the Forum - against member states deemed to have violated democratic norms. If the Biketawa Declaration is followed in practice, the *de facto* veto over discussing the internal affairs of member states will go as will the concept of consensual decision-making. The 'Pacific Way' is clearly heading away from its roots towards the 'western way'.³⁵

Are these moves sufficient? Probably not. The Aitutaki Declaration does not do any more than establish yet another forum to allow officials to talk. The Biketawa Declaration is about emergencies and it still gives the ritual bow to the

³² Forum Secretariat (1997) *Aitutaki Declaration on Regional Security Cooperation*, Rarotonga.

³³ The Regional Security Committee's role had primarily involved meetings of heads of police to discuss common law enforcement issues.

³⁴ Pacific Islands Forum, *Biketawa Declaration*, attachment 1 to Thirty-First Pacific Islands Communiqué, Tarawa, 27-30 October 2000.

³⁵ We may note that in southeast Asia the countries of the Association of South East Asian Nations are also discussing the need for intervention to be able to respond to events within member states. This is a break with the 'ASEAN way' very similar to what is happening in the Pacific.

needs of individual states: ‘while respecting the principles of non-interference in the domestic affairs of another member state...’.³⁶ These moves may address some of the issues surrounding transnational crime by spreading information, but they will not increase the ability to deal with that crime. Coordination between the armed forces of those states that have them may be improved, but this is not an urgent issue. Reactions to crises may occur more quickly, although that is problematic and still requires coordination and agreement.

Neither the Aitutaki nor the Biketawa Declaration give the economies of scale and the ability to respond to issues (not necessarily crises) quickly that will be required in the future. Nor do they respond to the need to ensure that governance in individual countries works for the benefit of all rather than for the elite. In other words, these Declarations do not increase security in the areas where it will be most needed.

The Way Ahead

There have been at least two proposals tabled to address these issues. In 1982 Mike Moore (later to become New Zealand’s Prime Minister) suggested a Pacific Parliament to solve many of the problems of size and governance.³⁷ That proposal got no more than passing attention. In 2001 Bruni suggested a new ‘collective of states that spans the South Pacific, something akin to the European Union without the heavy emphasis on political and social unity, something like ASEAN but with greater emphasis on developing proper security.’³⁸ Bruni’s vision was of Australia providing the organization and acting as the ‘the South Pacific’s hegemon’. He did not seem to recognize the existence and work of the Pacific Islands Forum. Between them though, Moore and Bruni have probably developed the basis of a sensible solution to the region’s present and undoubted future problems.

Cooperation is not an end in itself. Cooperation exists to achieve outcomes – in this case enhanced regional security, for the participants. If cooperation as practised does not enhance security, then one must ask questions about the form of cooperation. Additional cooperation and coordination is not sufficient in

³⁶ Pacific Islands Forum, Biketawa Declaration.

³⁷ Mike Moore, *A Pacific Parliament: a Pacific idea: and economic and political community for the South Pacific*, Suva: Institute of Pacific Studies, University of the South Pacific, 1982.

³⁸ John Bruni, ‘Our Role: big fish in the South Pacific’, *Canberra Times*, 26 January 2001.

circumstances where good coordination and cooperation are already insufficient. What is required is a mechanism that allows the region to achieve the full benefits of collective action without being bound by individual interests. In this, the region would be following the old adage of 'we all hang together or we'll all hang separately'. Consensus is probably no longer sufficient, as the Biketawa Declaration recognizes (but only for crises). The size of the Forum now means that consensus is harder to achieve both in procedural terms (especially where unanimity is required) and in substantive terms (where lowest denominator solutions follow from the quest for consensus).³⁹ We can see that the experience of cooperation has tended to breed confidence in multilateralism as a response to problems.⁴⁰ The next step is to achieve centralization.

It is clear that there is large measure of agreement between the states in the region as to the main issues. On many issues, there is general agreement as to what needs to be done to resolve them and to ensure that the processes meet the needs of the whole region. However, agreement does not necessarily mean that action will be taken. The region is still one of severely limited resources, which means that the smaller states often have trouble in implementing the agreed solutions effectively. On many other issues, there is much research necessary before sensible policies can be promoted, but research skills are in short supply.

With the 2000 acceptance of a processes allowing the Forum to, in effect, comment on issues of traditional high politics and internal national issues which might be seen to compromise the region's political principles, the Forum is moving into new territory. This new territory should be constructed deliberately (as the present system was in 1971-1975) to address the weaknesses of the current system. The alternative may well be change forced on the Forum in response to an environment in which small island states have even less voice than they have now and less ability to respond to the changing environment.

If the Biketawa Declaration is to be taken to a logical conclusion, then the Forum should move from its current loosely coupled existence to be come a tightly coupled community. This would mean little change in some areas, more in others. The region already coordinates its policy against external threats. It

³⁹ Richard Herr, 'Regional cooperation in the 1990s: An Assessment', p.345.

⁴⁰ *Ibid.* p.347.

needs to achieve the same level of unanimity against internal threats of the kind Crocombe has identified and that Moore and Bruni have suggested solutions for.

At the conceptual level there are two fundamental principles that need to be accepted. The first is the recognition that the security threats of the contemporary era are not ones that can be dealt with on a unilateral or even bilateral basis. Second is the acceptance that security itself increasingly embraces issues and influences that fall outside the traditional paradigm of state-oriented threat perceptions.⁴¹ If these are not accepted then the solutions discussed below will not be accepted and can not work.

Once the principles are accepted, and they generally are within the region, there are some practical steps that could and should be taken. The first is to agree that greater regional cohesion is required. Member states should, as a matter of policy, state that they are looking to move to closer political arrangements. This is likely to be the most difficult step. To support this, the Secretariat should be given more executive power over policy issues. The veto over policy decisions should be removed early. This is a practical extension of the principles of the Biketawa Declaration. Domestic laws and policies need to be harmonized and eventually become internationalised. The Biketawa principles should form the basis of a set of supranational Forum laws that would eventually take precedence over national laws. Institutions would need to be developed to support this move. Pan-regional representative and functional institutions should be developed, extending the scope and authority of those already in place. As part of the political evolution, civil society should be encouraged. Free population movements would remove any discrimination between 'them' and 'us'. Ultimately, a form of supranational government would be established. The aim of all this, initially, is some form of confederation in which some areas of activity are developed centrally and some remain within the purview of individual states. In the longer term, even closer integration may be possible. This is the tightly coupled security community discussed above.⁴²

⁴¹ Chalk, *Non-Military Security and Global Order*, p.146.

⁴² Possible models of future political arrangements range from the loose to the tight. A sensible tactic would be to move from the loose to the tight at a slow pace to bring all forward at the same speed.

Regional Powers

As well as Pacific Island Forum member states Australia and New Zealand, there are three or four other western developed states with a direct interest in the region – either because of the amounts of aid they direct to the region, or because of residual colonial legacies or both.

Australia and New Zealand, as the most closely connected with the region should remove themselves from this evolving arrangement and accept that they would have insufficient congruence of identity to be able to function effectively within it.⁴³ Those countries were included in the Forum originally because without them there was a fear that the Forum ‘might develop along the ethnically confrontational lines of the Organisation of African States’.⁴⁴ That fear is now less realistic as the countries have developed a sense of regional collegiality (although there are still tensions). Australia and New Zealand would need to continue the level of practical and financial support they already give. This would be recognition that the region is important to them and that they have taken a lot from the region over the last 150 years.

Other states (the United States, Britain, France, Japan) with interests in Oceania should support the arrangement. A more cohesive political unit in the region will ultimately make those states’ task of dealing with the region simpler. A more integrated region will mean that they can rationalize their aid funding to the advantage of all. A more integrated region is likely to be a more stable region. Those are all good reasons to give support.

Problems

There are problems with all this of course. These proposals may seem to go against traditional notions of sovereignty. To an extent they do, but sovereignty has always redefined itself. The proposals are a response to the changing regional environment to ensure that the region is able to exercise sovereignty in the face of increasing and increasingly diverse threats. From the late 1940s Europe embarked on a course of integration designed to ensure that the countries

⁴³ Bruni’s proposal for Australia to assert hegemony would merely drive the states away from closer cooperation and integration rather than towards it.

⁴⁴ Ratu Sir Kamisese Mara, “Regional Cooperation in the South Pacific”, *New Zealand Foreign Affairs Review* 1974, 24: 19-29.

within that region could not and would not go to war with each other again. Integration in Oceania would be for different reasons. It would be to ensure that the region could retain an identity in the world and that cultures and peoples within the region could remain secure.

To the charges that state sovereignty is the most important attribute available to the small states and that these proposals are suggesting that they lose this, there are several answers. One answer to that is that many of the states in this region are barely sovereign now. Another answer is that the states would gain more from being part of a strong confederation than they would be retaining independence. This is the decision taken by many of the countries in Europe. National political elites would no doubt resist these moves on a variety of grounds. They should be worked with to ensure that their legitimate worries are addressed and their less than legitimate worries exposed for what they are.

Adler and Barnett address these issues. They note that the ‘more tightly coupled a security community is [and I am suggesting that the region should be very tightly coupled] the more the role of the state will be transformed’.⁴⁵ In effect, the state becomes an agent of the community, providing community wants, and it retains its legitimacy only to the extent that it meets community norms and expectations. None of that removes the states international standing or authority as a state, what is changed is the relationship between the state and its citizens and between any one state and the others within the community.

The issue of ethnic rivalry may be less buried than I have assumed. Certainly, ethnicity seems to be an issue in a number of the regional trouble spots. If that is the case, there would be serious problems. However, the Forum countries do seem to have more in common with each other (despite the various ethnic groupings) than they do with the rest of the world. The countries now have a record of 25 years of working together and understanding each other. With will, a more cohesive grouping should be able to transcend ethnic differences.

Conclusion

The South Pacific has been extremely successful in working cooperatively to meet the needs of the member states, but more can be done. If modern chal-

⁴⁵ Adler and Barnett, p.79.

allenges are to be met, new responses need to be devised. One of the problems still, is that even with good cooperation the region is not able to keep up with the needs of the modern environment. To that extent, the region is less than secure and less than a community. The Forum needs to take a leap in concept and practice to allow the community to reach full maturity and thus reinforce its security environment. The concept of a tightly-coupled security community seem to provide a starting point at least for this development.

The ideas here are not a complete solution but a work in progress. It has taken the countries of the European Union more than 50 years to get to where they are today and they started with a vision of eventual union. The Pacific probably needs a less ambitious aim than that, but it needs to be more ambitious than it currently is.

Contributors

Ron Crocombe is an Emeritus Professor of Pacific Studies at the University of the South Pacific in the Cook Islands. For nearly 40 years, he has done extensive consultancy on land policy, local and national government, regionalism, social and cultural policy, higher education, security issues and future studies. His consulting, research and other assignments have been for the Asian Development Bank, Commonwealth Secretariat, Commonwealth Foundation, Commonwealth Youth Programme, East West Center, Pacific Community, Pacific Islands Forum, various Pacific Islands governments, Prime Minister of Mauritius, Smithsonian Institution, UN Secretariat, UNDP, FAO and UNESCO, universities in Auckland, Australian National, California, Canterbury, the Research Center for the South Pacific in Kagoshima, Oregon, Otago, Papua New Guinea, Wollongong, private firms, religious institutions, aid agencies and others. In addition to many books and articles of his own, he has facilitated research and writings by Pacific Islanders that resulted in over 1,450 of them being completed and published.

Stewart Firth is the Head of the Department of History and Politics at the University of the South Pacific in Fiji. He is particularly interested in the regional and security issues in the Pacific Islands. He has been researching and writing about the Pacific Islands for the last 30 years. He has authored and co-authored a number of books about the region including *New Guinea under the Germans*, *Nuclear Playground* and the *Cambridge History of the Pacific Islanders*. In 1999, he published *Australia in International Politics: an introduction to Australian foreign policy*, and his most recent work, co-edited with Daryl Tarte, is *Twentieth Century Fiji: people who shaped this nation* (2001). Professor Firth was educated in Sydney and Oxford universities.

J. Stephen Hoadley is Associate Professor of Political Science at the University of Auckland. In his current research and curriculum are subjects on the United States and Asia-Pacific diplomacy, trade and security policies, international relations, arms control, law and human rights, international political economy,

and the foreign policies of New Zealand, Australia and the South Pacific. Among his many professional experiences and associations, he is the Corresponding Editor of the *New Zealand International Review*, Honorary Vice President of the New Zealand Institute of International Affairs, and has memberships in the New Zealand Committee of Council for Security Cooperation in Asia Pacific (CSCAP), New Zealand Board of the Pacific Economic Cooperation Council (PECC), and the Board of New Zealand-United States Educational Foundation (Fulbright scholarships). His more recent publications are *New Zealand United States Relations: Friends No Longer Allies* (2000), *New Zealand Taiwan Relations* (1998), and *The US-New Zealand Kiwifruit Dispute* (1997). His forthcoming articles, book chapters and working papers are “Tensions in Micronesia and US Security Policy,” “North Korea and U.S. Policy: Congressional Politics and the Perry Process,” and “The European Security Outlook and Institutions.” Professor Hoadley received his PhD from the University of California at Santa Barbara.

Stephanie Lawson is a Professor of International Relations and Director of European and International Studies in the School of Economic and Social Studies at the University of East Anglia. Prior to taking on her present position, she was a Fellow in the Department of International Relations, Research School of Pacific and Asian Studies, and the Australian National University. For four years, she edited the *Australian Journal of International Affairs*. Her present research interests deal with issues concerning culture, nationalism, democracy, combining comparative and normative approaches to the study of world politics. She is the author of many articles and book chapters dealing with these issues in the Asia-Pacific region including, *Tradition Versus Democracy in the South Pacific: Fiji, Tonga and Western Samoa* (Cambridge University Press, 1996). Her most recent book is an edited collection, *The New Agenda for International Relations: From Polarization to Globalization in World Politics?* (in press, 2001). Dr. Lawson received her PhD from the University of New England in Armidale, New South Wales, Australia.

Vijay Naidu is currently the Head of the School of Social and Economic Development at the University of the South Pacific in Fiji. He is also the Chair of the Citizens’ Constitutional Forum (CCF), a non-governmental organization that has been actively involved in resolving Fiji’s constitutional impasse. Over

the last 25 years, Professor Naidu has taught at the University of the South Pacific on courses including ethnicity, migration, development/underdevelopment, Pacific societies and cultures, and Pacific politics. He has written seven monographs and books, 40 journal articles and chapters in books, several consultancy reports, and presented more than 50 conference papers. He has served as Dean and Pro-Vice Chancellor at the University of the South Pacific. He obtained his Bachelor and Masters degrees from the University of the South Pacific in political sociology, and completed his doctoral studies in the sociology of development at the University of Sussex in the United Kingdom.

Richard J. Payne is a Distinguished Professor of Political Science at Illinois State University. He received the Distinguished Ph.D. Alumnus Award from Howard University in 1995, the Outstanding University Researcher Award in 1996, and was the College of Arts and Sciences Lecturer in 1993. He was appointed by the Dean of the College of Arts and Sciences at Harvard University as a Visiting Scholar in the Center for International Affairs and was a member of the joint Harvard-Massachusetts Institute of Technology Seminar on Political Development in 1988-1989. His most recent books are *Global Issues: Moving Beyond International Relations*, (Addison-Wesley Longman, Forthcoming 2003); and as co-author of *Politics and Cultures in Africa, Asia, and Latin America: The Impact of Globalization* (Addison-Wesley Longman, 2002). His articles have appeared in *The Journal of Politics*; *Howard University Law Review*; *The Journal of Developing Areas*; *African Affairs*; *Africa Today*; *The World Today*, and other scholarly journals. His honors include a Fulbright-Hays fellowship; three Ford Foundation Fellowships; and membership on the Council of the American Political Science Association.

Glenn Petersen is a Professor of Anthropology and International Affairs at the Graduate Center and Bernard Baruch College in the City University of New York. He is currently a Senior Fellow of the City University's Center for Place, Culture and Politics. His first experience in the western Pacific was flying with a carrier-based aircraft in the Tonkin Gulf. His interest in the U.S.'s role in the region was aroused, and thus began his anthropological research of the Trust Territory of the Pacific Islands. He continues his studies of Micronesia, as well as his regular curriculum in anthropology, international affairs and geography. He has also taught at the University of Puerto Rico, where he conducts research

on political status issues. He has worked in a number of other sites in the Caribbean and Central America. He currently serves as a member of the Federated States of Micronesia's Permanent Mission to the United Nations. Among his published works are *One Man Cannot Rule a Thousand: Fission in a Ponapean Chieftdom*; *Ethnicity and Interests at the 1990 FSM Constitutional Convention*, and "Strategic Location and Sovereignty: Modern Micronesia in the Historical Context of American Expansionism" in the journal, *Space and Polity*. He is completing his book, *Micronesian Societies: A Thematic Perspective*.

Jim Rolfe is Associate Professor in the Department of Transnational Studies at the Asia-Pacific Center for Security Studies (APCSS). Before arriving in Hawaii, he was for some five years an Associate Director of the Master of International Relations Programme at Victoria University of Wellington, New Zealand, as well as being a freelance contract policy analyst working primarily for the central government in New Zealand, and a trainer of the public sector employees in the techniques of policy analysis. Earlier in his career, Dr. Rolfe was a policy advisor in the New Zealand Department of the Prime Minister and Cabinet for four years, dealing primarily with security issues, and before that he was a professional soldier for 20 years. In his military career, Dr Rolfe worked in artillery, infantry and intelligence assignments and completed his service as the Acting Director of Plans in the New Zealand Ministry of Defence. Dr Rolfe's research interests are focused on issues of interdependence and security, on the Pacific region and on New Zealand defense and security issues. His most recent book is *The Armed Forces of New Zealand* (Allen and Unwin, 1999) and he has recent journal articles on issues of South Pacific security and policy processes.

Yoichiro Sato is Associate Professor in the Department of Regional Studies at the APCSS. His research interests are in international and comparative political economy, with an emphasis on the US-Japan economic relations. He has taught at Auckland University in the Department of Political Studies. He has also taught at the University of Hawaii and the Kansai Gaidai Hawaii College. Dr. Sato is a member of the Japan Political Studies Group of the American Political Science Association, and the International Studies Association. While in Auckland, he served as the Branch Vice President of the New Zealand Institute of International Affairs. Among his research writings, Dr Sato has published in

such journals as the *Japanese Studies Review* in Australia and the *New Zealand International Review*, as well as edited books. In his forthcoming book currently in production with St. Martin's Press, which he is co-editor, deals with the Japanese foreign policy. Dr. Sato received his PhD in Political Science from the University of Hawaii, his MA in International Studies from the University of South Carolina, and his BA in Law from Keio University in Tokyo.

Andreas Schloenhardt is a Research Associate at Adelaide University Law School in Australia. His major fields of interest are criminology, criminal law, refugee law, migration law, international law and human rights. His recent publications include "The Business of Migration-Organised Crime and Illegal Migration in Australia and the Asia Pacific Region" (*Adelaide Law Review*, 1999); "Organised Crime and the Business of Migrant Trafficking-An Economic Analysis" (*Crime, Law and Social Change*, 2000); "Australia and the Boat-People: 25 Years of Unauthorised Arrivals" (*University of New South Wales Law Journal*, 2000); "International Migration, Migrant Trafficking and Regional Security" (*FORUM for Applied Research and Public Policy*, 2000, University of Tennessee). Since 1998, he has been working on his PhD thesis, "Trafficking in Migrants-Organised Crime and Illegal Migration in Australia and the Asia-Pacific Region." He received his law degree (LLB with honors) from the University of Augsburg in Germany, and Adelaide University.

Eric Shibuya is Assistant Professor in the Department of Regional Studies at the APCSS. His primary research interests are in the politics of the Oceania region and the international politics of the environment. Prior to joining APCSS, he was an instructor in the Department of Political Science and the Center for Applied Studies in American Ethnicity at Colorado State University. He has taught classes in American politics, international relations, comparative politics, ethnicity in American and Asian/Pacific American legal issues. Dr. Shibuya is currently developing research projects on the theatrical imagery inherent in terrorist events as well as studies of ecotourism programs and fisheries management in the Pacific. He continues his research on the international politics of climate change and the activities of the Alliance of Small Island States (AOSIS). As a Fulbright Fellow, he conducted research in Australia while being based at the Department of International Relations, Research School of Pacific and Asian Studies at the Australian National University in Canberra. He

has spoken on security issues of the Asia-Pacific region at community forums in Oklahoma and Colorado.

Lieutenant General (Ret) H.C. Stackpole (USMC) is the President of the Asia-Pacific Center for Security Studies. He joined APCSS from the private sector after serving as President of Loral Asia-Pacific, a subsidiary of Loral Space and Telecommunications, based in Tokyo. General Stackpole served in the U.S. Marine Corps for 36 years, retiring as a Lieutenant General in 1994 as Commander, Marine Forces Pacific, prior to joining Loral. During his service with the Marine Corps, General Stackpole has commanded at all levels, and has served as the Director of Plans, Policies, and Operations in Washington, D.C., and was the Marine Corps Operations Deputy to the Joint Chiefs of Staff. He led the Joint Task Force Sea Angel in Bangladesh during humanitarian relief operations in 1991, and coordinated the seven-nation task force helping the country recover from super-typhoon Marion. General Stackpole has been honored by the Government of Japan for furtherance of Japanese/American understanding and partnership, and by the Governments of the Republic of Korea and Bangladesh. His awards and decorations include the Distinguished Service Medal, Silver Star, Defense Superior Service Medal with oak leaf cluster, Legion of Merit, Purple Heart with gold star, and the Vietnamese Cross of Gallantry. General Stackpole holds degrees from Princeton, George Washington University, and Stanford University.

Yoshiaki Tanaka is a Professor in the Department of Foreign Studies at the Kyoto Sangyo University in Japan. He was also with the International Development Center of Japan. His professional memberships include the Japan Association of International Relations and Japan Society for International Development. Dr. Tanaka received his PhD in International Relations from the State University of New York at Binghamton, his Masters in Public Administration from International Christian University in Tokyo, and his Bachelor of Arts in Politics and Economic from Seikei University in Japan.

Karin von Strokirch is currently a lecturer in international relations with an emphasis on the Asia Pacific region at the University of New England in Australia. Her research interests include nuclear issues in the Pacific (notably in Tahiti and the Marshall Islands) and regional security. Her recent publications

include a chapter on the “Nuclear Pacific” for the *Cambridge History of the Pacific Islanders* and annual contributions to *The Contemporary Pacific*. Dr. von Strokirch received her BA with honors majoring in International Relations from Melbourne University, and her PhD on the subject of Nationalism and Nuclear Politics in French Polynesia from La Trobe University.

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Security in Oceania

“While there have been many words offered about the plight of the Island States of Oceania, there has been a limited amount of doing. Benign neglect appears to be the standard approach to Pacific Island security matters.

Eric Shibuya and Jim Rolfe have edited a four-part book that seeks to illuminate the issues faced by the Island States in the 21st Century especially in the context of security.”

H.C. Stackpole III

President

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