



The South Pacific in Turmoil

Dr Anne-Marie Schleich

March 2021

Abstract

Two successful regional institutions in the Pacific island region suffered massive setbacks within one week in February 2021 leading to increased geopolitical instability in a strongly contested region. The abrupt deviation from the principle of Pacific regionalism caused five member countries to exit the Pacific Island Forum (PIF). National and subregional egoism dominated Pacific matters in recent months. Unless a mechanism for conflict resolution is found we will see more volatility in this region.

About ISPSW

The Institute for Strategic, Political, Security and Economic Consultancy (ISPSW) is a private institute for research and consultancy. The ISPSW is an objective, task-oriented and politically non-partisan institute.

In the increasingly complex international environment of globalized economic processes and worldwide political, ecological, social and cultural change, which presents both major opportunities and risks, decision-makers in the economic and political arena depend more than ever before on the advice of highly qualified experts.

ISPSW offers a range of services, including strategic analyses, security consultancy, executive coaching and intercultural competency. ISPSW publications examine a wide range of topics connected with politics, the economy, international relations, and security/ defense. ISPSW network experts have held executive positions – in some cases for decades – and have dispensed advice in a wide range of fields.



Analysis

2021 was supposed to be the year of celebration in the Pacific as the PIF was founded 50 years ago in 1971, four years after ASEAN. It comprises 18 members: Australia, Cook Islands, Federated States of Micronesia, Fiji, French Polynesia, Kiribati, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. The Pacific Island countries are historically subdivided into three subregions: Melanesia, Micronesia and Polynesia. Most of the 16 Pacific island members share similar challenges such as small populations, vulnerable economies and ecosystems, scarce resources, vulnerability to rising sea levels, lengthening droughts and increased cyclone intensity. They only have a small population of altogether 12 million inhabitants, with 8.6 million in Papua New Guinea.

They have a combined area of 528,000 square km and an Exclusive Economic Zone of about 20 million square kilometres with 7,500 atolls. For half a century, the PIF provided a regional forum for dialogue and cooperation on politics, environment, culture, economics and trade. After decades of focusing on more regional integration of its diverse members countries, it had become a strong voice and advocate for climate change issues on the international stage, especially at the UN. During its annual summit meeting it has successfully raised development and climate change issues with its 18 Forum Dialogue Partners, among them Germany. After five decades of successful cooperation, two events, however, created frictions in the Pacific and have shaken two regional institutions to their bones.

Power Struggle in the Pacific Island Forum

One event was the election of the new PIF Secretary-General. For decades, there was an unwritten understanding (the famous so-called 'Gentleman's agreement') that the post of PIF Secretary General would rotate among a representative of one of the three regional subgroups. After a successful six-year term of Papua New Guinea's (Melanesia) Dame Meg-Taylor as Secretary General, it was the turn of Micronesia, at least, so the sub-group expected. However, Henry Puna, who recently stepped down as PM of the Cook Islands (Polynesia) won in the 3rd round of voting with a slim majority of 9:8 votes against Micronesia's nominee Gerald Zackios, a Marshall Islands Ambassador to the US.

It was speculated that the major powers in the PIF, Australia and New Zealand, had voted for Puna in the secret ballot. The five Micronesian countries, already unhappy about their reduced influence in the PIF, were upset that their candidate had lost and asserted that longstanding trust among the member countries had been seriously damaged. Following a virtual Micronesian Presidents' Summit on February 8, all 5 Micronesian countries (Kiribati, Marshall Islands, Federal States of Micronesia, Palau and Nauru) announced their withdrawal from the PIF. In their statement, they "collectively express their great disappointment with the Pacific Islands Forum Secretary General appointment process" and initiated the year-long withdrawal transition. The PIF has thus lost one-third of its members and has been thrown into a massive turmoil.

Fiji's attack on the region's University of the South Pacific

The second shock to a respected regional Pacific institution happened at the same time to the University of the South Pacific (USP). With its main campus in Fiji, USP is a very successful university, co-owned by the governments of 12 Pacific island countries and with strong funding from Australia and New Zealand. Kenyan



born USP Vice Chancellor and whistle blower Professor Pal Ahluwalia was detained and deported on February 4 on the orders of Fiji PM Banaimarama because he allegedly posed a 'public risk'.

After his appointment in 2019, Ahluwalia had exposed USP mismanagement under his predecessor, Fijian Rajesh Chandra, who was close to the Fijian Government. After an inquiry over his own alleged malpractices by an 'independent' commission headed by Fiji's previous Ambassador to the US and UN, Ahluwalia was last year suspended from his position as Vice Chancellor.

The ousting of Ahluwalia happened without Fiji consulting other USP partner governments. Fiji Opposition parties, unions and civil organisations have condemned the Fiji governments move to arrest and deport the Vice Chancellor. It is interesting that there have been few comments by the Australian and New Zealand governments. The Samoan PM Tuila'epa Malielegaoi recently criticised Fiji, urged it to re-install the Vice Chancellor and made a bid for Samoa to become the new home for the USP.

Geopolitical backdrop: China, Taiwan, Australia, New Zealand and the US

These regional frictions may have wider geopolitical ramifications. The battle for influence in the Pacific Island region comes right on top of the present Australia-China conflict with bilateral relations having reached a deep freeze point in 2020. Both Australia and China have used Covid aid as a diplomatic tool. Australia has just promised A\$ 500 million for Covid vaccines to show that it has 'not forgotten its neighbours'.

The Pacific Island countries have become more assertive in the last decade. Until now, there was a positive trend towards stronger cooperation within the PIF framework. Australia and New Zealand (also ADB, Japan, the EU, the US) remain big donors to the South Pacific islands, but China is increasing its aid footprint in the South Pacific, seeks to have a diplomatic and strategic foothold and has invested in much needed infrastructure projects.

The Pacific is an important part of China's Belt and Road Initiative. China has also surpassed Australia as a trading partner in some of the Island countries. Recent policy recalibrations by Australia's 'Pacific Step up' (2016) and by New Zealand's 'Pacific Reset' (2018) were meant as an answer to China's challenge and emphasised more engagement and partnerships with the Pacific. Still, both countries seem to be in danger of losing their traditional political influence there. Also, Australia's ambivalent attitude regarding climate change issues has been viewed critically by the island countries, which are seriously threatened by climate change.

China seems to prefer to deal with the Pacific Island Countries bilaterally rather than through the PIF where it only has observer status. Pacific leaders basically welcomed Chinese aid and investment as it helps them with important infrastructure projects. They also are aware of the risks of political dependence and unsustainable debt. China might be more able to exert significant political leverage over Pacific countries, especially on international issues affecting China's core national interests.

The Taiwan-China conflict is virulent in this region. The 2019 move of Kiribati and the Solomon Islands to switch their political allegiance from Taiwan to China is one aspect of this geopolitical competition. Last year, Taiwan competed with China's mask diplomacy and donated 1 million face masks to the Marshall Islands, Nauru, Tuvalu and Palau, countries in the Pacific which still support Taiwan diplomatically.

The US has a strategically important military strategic base in the Micronesia's Marshall Islands and a Compact of Free Association (as well as with Palau and the Federated States of Micronesia) but it has much less aid and



trade connections with the rest of the Pacific Island countries. It has, however, recently deployed Covid vaccines to Palau and Marshall Islands. The US is basically interested to have the PIF as a viable regional institution.

Compromise needed

National and subregional egoism dominated Pacific matters in recent months and exposed the fault lines in the regional architecture. The split within the PIF with five aggrieved members drifting away and a rift over the USP Vice Chancellorship come at the bad time. In times of pandemic and climate change, greater cooperation, not infighting is direly needed. It is important for the Pacific region to secure sufficient Covid vaccines for its populations. Equally urgent is a united PIF front this year, when the next Conference of the Parties of the UN Framework Convention on Climate Change (UNFCCC) is convened in Glasgow in November. The plight of atoll island countries in Micronesia, most affected by climate change, will be at the centre of some discussions there. The year-long process of exiting PIF could help to provide possible compromise solutions and conflict resolution mechanisms where member countries and its subregions would save face and come together again. On the side lines of these discussions a solution for the USP saga may also be found.

Remarks: Opinions expressed in this contribution are those of the author. This analysis was part of a contribution in *RSIS Commentary* published on March 1, 2021.

<https://www.rsis.edu.sg/rsis-publication/rsis/end-of-pacific-regionalism/>

About the Author of this Issue

Dr Anne-Marie Schleich was a German diplomat from 1979 until 2016. Most recently, she was the German Ambassador to New Zealand and seven Pacific Island Countries from 2012 to 2016. She was the German Consul-General in Melbourne, Australia from 2008 to 2012 and has also served in Singapore, Bangkok, Islamabad and London.

