Gerard A. Finin
APCSS Adjunct Professor
Deputy Director, East-West Center Pacific Islands Program

Key Findings

• In countering terrorism, even the smallest and most remote countries can produce large and potentially serious security problems. This suggests that the US must continue its efforts to fully engage with Pacific island nations to advance mutual interests and address security issues.

• Unlike other regions of the globe where the US initiated major new forms of cooperative engagement and coalition building, 9/11 has not been a redefining or transformative moment in US-Pacific island relations. Although the US has embraced Pacific island nations as partners in its strategies to address the threats posed by terrorism, it has not given sufficient attention to the security priorities of Oceania, which frequently differ from those of western nations.

• September 11 magnified US attentiveness to the security threats that can emanate from fragile or failed states. The doctrine of “preemptive action” subsequently changed the calculus of how the US and its regional allies think about Pacific island nations, with a new emphasis on military and non-military interventions intended to prevent fragile states from becoming failed states. Pacific island governments had little alternative but to cautiously accept this change, but today appear to be more supportive of the new collaborative multilateral architecture being advanced by the Obama administration.

• The role of US allies in Pacific islands regional affairs is shifting. Australia and Japan are assuming increasing influence and responsibility for regional stability in the South Pacific that is in
keeping with their national interests. At the same time, the United States is increasing its own diplomatic engagement in Oceania, especially with regard to public diplomacy initiatives. China’s and Taiwan’s increasing presence has been welcomed by island governments as it provides an alternative to the existing regional architecture, with the potential for both governments to play constructive roles in the region.

- Promoting US engagement in Oceania through the use of soft power is one of the most effective ways to facilitate robust collaboration and ensure that there are no “weak links” in our Asia-Pacific security community.

Introduction
In the early morning hours of 12 September 2001, Tuvalu’s Secretary to Government was awakened at home by a police officer who via radio had learned of an attack on New York City. What concerned the Secretary most immediately was the welfare of Tuvalu’s permanent representative to the United Nations and his family. Unable to make telephone contact with anyone at the U.S. Embassy or to gather more information on the crowded internet lines, he contacted Tuvalu’s High Commissioner in Fiji who was able to watch CNN television and relay the latest developments via phone.

The personal connection that made the attacks especially real for Tuvalu was mirrored in other Pacific island nations, each of which have personnel working at the 12 Pacific island UN missions. Unlike unfolding world events of previous eras, most Pacific island government officials had direct access to the vivid images conveyed around the globe by television. Within the next several days, island governments issued statements of condolence offering to assist the US in the fight against terrorism.

Cook Islands Prime Minister Dr. Terepai Maoate described the strikes in New York and Washington as “vicious” and “unthinkable.” Like most Pacific island nations, the Cook Islands’ bilateral relationship with the United States was not exceptionally vibrant in economic or political terms. However, based on the reservoir of good will from World War II and constructive American diplomatic activity during the cold war years, the relationship was still seen as quite positive. Dr. Maoate’s expression of his nation’s condolences to the people of the United States was echoed by island leaders throughout Oceania. At this juncture, however, Pacific governments were still uncertain about how they could assist the US in responding to the new security environment.

Overview
This essay explores the changes that have taken place in the US-Pacific island security environment during the nine years since the attacks of 9/11 and identifies some of the opportunities and challenges for security cooperation. Few would assert that 9/11 did not significantly alter the way in which the US viewed the issue of homeland security, or the way in which foreign policy is conducted. Similarly, it is difficult to argue that the policy environment in which US interests are being defined has not changed. However, it is important to underscore that many longstanding US interests have not been transformed, and significant continuities in US foreign policy must also be taken into account.

Initial US Responses in Asia and the Pacific
If September 11 revealed the vulnerabilities of US homeland security, the weeks and months that followed highlighted the breadth and depth of Al Qaeda’s organizational reach, including numerous groups in South and Southeast Asia that were sympathetic to their objectives. Soon countries such as Indonesia, Malaysia, the Philippines and Pakistan were receiving priority attention from US policymakers and others in government. For example, on September 19, 2001, President George W. Bush and President Megawati Soekarnoputri issued a joint statement at the White House vowing “to open a new era of bilateral cooperation based on shared democratic values and a common interest in promoting regional stability and prosperity” and “pledged to cooperate with the international community in combating terrorism.” The US also reached out to Malaysia and, during a well-publicized meeting at the APEC summit in Shanghai, sought the advice of Prime Minister Mahathir Mohamad on fighting terrorism. Promises of liberal increases in economic aid and trade concessions were clearly part of the new post 9/11 agenda in Asia. In the case of the Philippines and Pakistan, the proposals for small numbers of specialized US ground troops proved extremely sensitive in domestic political terms, but also allowed both countries to negotiate attractive aid packages that were beneficial to their national interests. The United States
decided that it must not only go after terrorists but take the offensive by denying terrorists places where they can “hide, plan and conduct their attacks.”

In contrast to the host of anti-terrorism related initiatives launched in Asia, concerted new attention to the Pacific region beyond Hawaii and Guam was initially difficult to discern. US Embassy staff in Fiji, Port Moresby, Majuro and other locales made earnest efforts to dialogue with host country officials about improving security, but were not able to avail of any significant additional resources or programs. Some steps were made to enhance airport security, and at one point, suspicious activity in Samoa resulted in the temporary closure of US diplomatic offices there. Still, the sense of great urgency and indeed imminent danger that prevailed during the months immediately after 9/11 gradually appeared to give way to a sense of tacit complacency. For example, in 2003 US diplomats in Fiji revealed an awareness of certain security weaknesses and expressed concern about the lack of activity by Pacific island governments to bolster defenses, but offered little in the way of an action plan toward that end.

Pacific Islands’ Growing Economic and Political Vulnerabilities

It was not long after 9/11 that newspapers and other media outlets in the US took notice of the weak security procedures across the Pacific islands region. Op-ed articles and editorials pointed to the need for the United States to ensure that the Pacific’s ostensible “backwaters” would not become an open “back door” from which attacks could be launched. From the perspective of Pacific governments it was clear that the US during the 1990s had quietly disengaged from the region. In the wake of its successful policy of strategic denial during the cold war years and the collapse of the Soviet Union, the US had closed consular offices, cut development aid and discontinued educational exchange programs.

Over time, however, policymakers in Washington gradually realized that there was a need to reengage. Although considerable good will existed on almost all levels, finding common ground for collective action was challenging in light of differing national security priorities. The security concerns of Pacific islands governments are influenced in part by ongoing economic and political vulnerabilities that predate 9/11. Ongoing pressures from bilateral donors and multilateral lending institutions for economic restructuring induced Pacific island nations to find means by which to offset declining revenues from external donor sources. While there are, to be sure, differences among countries, the following suggests some of Oceania’s major security concerns and compares them with international security priorities frequently emphasized by metropolitan powers:

Oceania’s Security Concerns
- Climate Change/Sea Level Rise
- Disaster Preparedness/Management
- EEZ Intrusions and Poaching
- HIV-AIDS, Malaria, Dengue
- Energy Security (fossil fuels)
- Human Resource Capacities

International Security Concerns
- Human Smuggling/Trafficking
- Money Laundering/Offshore Banking
- Passport Sales/Flags of Convenience
- Transnational Drug Operations
- Transportation Security (sea & air)
- Weak State Institutions (e.g., RAMSI)
- Inadequate Information Sharing

Most Pacific nations’ economies are structured by large subsistence sectors and considerably smaller formal monetized activity. As a consequence, options for raising revenues directly from citizens are quite limited. However one avenue governments have for raising revenue is through opportunities afforded by sovereignty. Pacific islands nation states have in numerous instances turned to such options because they do not impose hardships on citizens lacking taxable resources. A well known example is Tuvalu’s commercialization of its domain name: .TV, which brings in considerable revenue from media firms which “rent” this form of Internet identification. But in the new security environment, a number of these activities now posed a potentially significant threat to the “war on terrorism.” Some of the practices that could hinder efforts to provide greater security included:

- Sale of passports on demand, which in certain cases allowed entry into countries such as Canada without requiring a visa.
Increased US-Pacific Island Engagement

By mid-decade it was apparent that a number of US government agencies had started to think more about ways to enhance security in the Pacific. Some of this thinking predated the terrorist attacks, but the post 9/11 atmosphere seemingly gave security-related initiatives greater impetus. For example, in an effort to assist Fiji, the State Department in August 2002 provided modest funding to the East-West Center’s Pacific Islands Development Program to support the “talanoa” dialogue and reconciliation process. Following the May 2000 coup wherein government leaders were held hostage at gunpoint for 56 days, a series of East-West Center sponsored talanoa convened for the purpose of bringing together political opponents, religious leaders, former hostages and coup sympathizers. The talanoa represented an effort to rebuild national unity as well as address contentious issues related to land tenure and constitutional reform in what Assistant Secretary of State for East Asian and the Pacific Affairs James Kelly described as a country that “may have the most complicated politics in the whole Asia-Pacific region.”

Other small signs of emerging US government interest could be found as well. A Pacific islands specialist from Hawaii was invited to provide a briefing at CIA headquarters. Yet, according to the briefer, a World War II veteran, those present for the session seemed to have little knowledge of the Pacific region and displayed remarkably mild interest in pursuing the issues that were raised as points of concern for enhancing security. The Honolulu-based Joint Terrorism Task Force, established to coordinate efforts among various law enforcement agencies in Hawaii and beyond, also made genuine efforts to better understand the nature of the weak links in the defense against terrorism in the Pacific. But again, the extent of the follow-up appears to have been rather limited since these agencies had little experience or funding to work with peer agencies in the South Pacific.

In the North Pacific, where direct US involvement has for over 50 years been far more pervasive, 9/11 appears to have reinforced the US desire to exert a firmer hand on economic and immigration matters. The compact of free association agreements between the US and the north Pacific nations of Palau, Republic of the Marshall Islands (RMI) and Federated States of Micronesia (FSM) provide for exclusive US control over external security matters in exchange for, among other benefits, liberal no-visa access to the US.
In keeping with the original agreements stipulating reexamination of certain aspects of the compacts after the first fifteen years, amendment negotiations were already underway well before 9/11. However, the war on terrorism underscored ongoing US concerns about restricting naturalization and passport sales to individuals who were not born in these countries. Moreover, spurred by a desire to see better financial management of US tax dollars being allocated to FSM and RMI, and certainly aware of the major problems facing a number of Pacific island states to the South, the US proposed a new financial management structure. As was the case during the pre-independence era, the proposed amendments, negotiated in the post 9/11 environment, once again gave the US a high degree of control over these two nations’ budget expenditures. And for the first time citizens of countries in free association were required to have an updated passport when entering the US.

**Offshore Banking**

One area where the US did in time make a concerted effort in the Pacific islands region involved offshore banking operations. US authorities asserted that tax haven operations in the Cook Islands, Marshall Islands, Nauru and Niue were fronts for Russian underworld and South American drug money laundering. Banking operations in Vanuatu and Palau were also the subject of investigation. The Financial Action Task force of the Organization for Economic Cooperation and Development (OECD) had been urging a number of countries around the world to severely tighten their tax haven operations or face sanctions.

Nauru was of special concern because of Russian reports claiming that US$70 billion had been laundered through Nauru by Russian tax dodgers. More ominously, of approximately 450 shell banking companies reported to be operating from a single post office box in Nauru, one-third were said to be of Middle Eastern origin. In the face of dire economic conditions bordering on insolvency, Nauru resisted shutting down its revenue producing banking operations. Intense international pressure including possible repossession of Nauru’s only aircraft, and a letter of concern from Secretary of State Colin Powell, finally convinced Nauru’s leadership to meet with officials in Washington, D.C. After years of delay, Nauru, in March 2003, bowed to direct White House pressure and effectively abolished its offshore banking sector. Subsequent claims by Nauru that the US would provide financial relief were denied, the State Department saying, “The U.S. did not, either directly or indirectly, offer Nauru an aid package in exchange for action on U.S. concerns.” While sympathy for Nauru regarding its economic plight was not widespread in the region, the way in which US pressure was applied did not go unnoticed.

If US pressure for policy changes in the Pacific caused some quiet resentment, the US gradually found ways to indicate its desire for positive long-term engagement based on common interests. In 2004 President George W. Bush along with his senior staff and national security team attended a meeting of the Pacific Islands Conference of Leaders in Honolulu that emphasized a sharing of perspectives about security matters, at times going into considerable detail about the burdens some island nations face when international security requirements are imposed unilaterally. In 2007 the same group of Pacific Island leaders convened for the first time in Washington, D.C., where they met with the Department of State’s most senior officials, as well as the Congressional Leadership. More recently, regional US diplomatic positions have been created to promote action on environmental issues and increase educational exchanges, including a return of the Fulbright Program. In another significant development USAID has announced it is back in the Pacific, focusing on a broad range of development-related activities region-wide.

**Shifting Roles for US Allies in the Region**

A key lesson learned from the Asia-Pacific region by US officials in the post 9/11 era is that in the war on terrorism, even the smallest most remote countries can produce large and potentially serious security problems. Over time, the US came to more fully appreciate that a number of South Pacific island nations were facing major political, economic and social challenges. However, in view of pressing challenges in Asia, Africa and the Middle East, and the proximity of two countries with which the US maintains strong alliances, the US has to some extent been reliant on notions of “burden sharing” to address security related matters in the South Pacific.

More than any nation in the southern hemisphere, Australia in recent years has reaffirmed its close partnership with the US. Australia’s vision of itself as an integral part of the Asia-Pacific with close security links to the US had gained currency in the late 1980s. Moreover, Australia’s colonial role in the Pacific islands region and significant economic ties, especially in Melanesia, converge to make prominent its national interests in the
region. This is well reflected in Australia’s Pacific aid budget that that is second only to Japan’s overseas development expenditures.

A turning point in US recognition of Australia’s role in Asia Pacific security was the successful peace keeping operation launched in East Timor. Coming in response to US urging and proceeding with the UN’s endorsement, Australia’s status was further elevated by its willingness to take the lead in this multinational endeavor. Indicative of the importance the US–Australia security relationship in the months prior to 9/11 was the presence of Secretary of State Colin L. Powell and Secretary of Defense Donald H. Rumsfeld at the annual joint meeting on defense and diplomacy in July 2001. Subsequently, US reliance on Australia has grown significantly as evinced by Australia’s conspicuous support for the war in Iraq. Most recently, Secretary Gates and Secretary Clinton both committed to attending the 2010 annual meeting ministerial consultations in Australia.

Embracing the Bush doctrine that like America, national security may require pre-emptive military action, Australia’s 2003 deployment of troops and police officers (including personnel from New Zealand and other Pacific island nations) to restore peace and order in the Solomon Islands suggested that Washington and Canberra shared the same outlook. The announcement to send in Australian troops was justified on the grounds that the Solomon Islands was in danger of becoming a “failed state” and, if Canberra did not act, this could in the future lead to use of the Solomon Islands as a location that could be exploited by international terrorists or criminal syndicates sympathetic to terrorist organizations. To the extent that Australia is successful over the long term in its efforts at what former Prime Minister John Howard called “cooperative intervention” for the purpose of nation building in the Solomon Islands, and more recently Nauru, its standing in the international community, and particularly with the US, will likely be enhanced.

The other major US ally in the region is Japan. Japan’s more assertive posture in recent years is increasingly significant. As a former colonial power in Micronesia, and following more than a quarter century of slowly growing activity in the region, Japan has substantial national interests centered around access to fisheries, seabed minerals and land-based natural resources. Greatly concerned with regional stability but hesitant to be involved in the domestic affairs of island nations, Japan’s position as the largest de facto aid provider in the Pacific has long been appreciated by Pacific island governments.

At a time when Japan’s overseas development assistance budget is declining globally, then Prime Minister Junichiro Koizumi’s announcement at the May 2003 Pacific Leaders Meeting (PALM) in Okinawa that Pacific aid levels would be maintained sent a clear signal of commitment. This stepping to the fore, supported by subsequent governments, represents a welcome aspect of Japan’s willingness to assist with regional security across the Asia Pacific. In addressing the war on terrorism, Japan has funded specialized training for law enforcement officers and supported the collection of illegal small arms. Interestingly, Japan has increasingly worked collectively on development assistance with Australia and New Zealand, a position it had for some years assiduously avoided in the past given Australia’s efforts to push politically difficult economic reform programs throughout the region. Based on these recent developments, Japan may be poised to play a larger role in Pacific island security matters involving political stability and terrorism.

Within Oceania six governments recognize the People’s Republic of China (PRC) and six governments recognize Taiwan. While some have raised alarm over this state of affairs, there is an emerging consensus that the increasing interest in Oceania being expressed by the PRC and Taiwan has in general been beneficial for island governments as it provides alternatives to the existing regional architecture. The PRC’s emphasis on infrastructure projects such as airport terminals, government buildings and sports facilities contrasts with Taiwan’s emphasis on scholarships and a range of development projects such as increasing agricultural production. While the international community has bemoaned the lack of transparency, there is scope for both governments to play a positive role in the region, with little evidence that this competition over the past decade, sometimes characterized as checkbook diplomacy, has actually been destabilizing.

Conclusion

The post-Cold War process of US disengagement from the Pacific region facilitated new and larger roles for other regional powers, most notably Australia and Japan. In the wake of 9/11, the US gained greater appreciation for the security weaknesses found in the region and, together with its allies, has incrementally sought new forms of security cooperation with Pacific island nations. Although it has implicitly welcomed the increasing influence and range of responsibilities for regional security and stability being assumed by US allies, it has at the same time attempted to
clearly project that message that the US is “back” in the South Pacific.\textsuperscript{xvii}

Pacific island nations have consistently articulated the willingness and even a desire to join with Washington in a multinational effort to increase regional security and combat terrorism. For instance, when symbolic political backing was urgently needed for the “Coalition of the Willing” assembled by President Bush to support the war in Iraq, US officials turned to island states. The inclusion of Marshall Islands, Federated States of Micronesia and Palau and the Solomon Islands in the 46 nation partnership was noted internationally.\textsuperscript{xviii}

Palau’s assistance in joining the “coalition of the willing” was later rewarded in the form of an invitation for then President Thomas E. Remengesau Jr. to speak at the May 2003 US Coast Guard Academy graduation in Connecticut. Remengesau and the first Palauan cadet to complete his studies at the academy shared the stage with President Bush and Homeland Security Secretary Tom Ridge. Speaking about the ramifications of 9/11, Ridge told all those in attendance, “Suddenly the oceans got smaller,” he said, “and the challenges to protect them grew larger.”\textsuperscript{ix} Palau’s recent acceptance of a small number of former Guantanamo detainees as residents has underscored the ways in which even the smallest island states can at times contribute to global security concerns.

The years since September 11, 2001 have underscored the fact that terrorists seek to exploit any available vulnerability to achieve their objectives. Comprehensive global security must include Oceania, strengthening historic ties to advance collective safety and welfare. Recent initiatives to promote renewed engagement through the use of soft power is one of the most effective ways to facilitate robust collaboration and ensure that there are no “weak links” in our Asia-Pacific security community. Such an approach will be warmly welcomed across Oceania.

\textsuperscript{i}Cook Islands News, September 12, 2001
\textsuperscript{iii}Indonesia, for example, received $400 million to promote trade and investment, especially in the Indonesian oil and gas sector.
\textsuperscript{vi}For evidence of passport sales see, Ronald G. Crocombe, The South Pacific, Suva: Institute of Pacific Studies, University of the South Pacific, 2001...
\textsuperscript{viii}Pacific Magazine, June 2003.
\textsuperscript{ix}PIR May 22, 2001 http://166.122.164.43/archive/2001/may/05%2D23%2DUp1.htm
\textsuperscript{x}PIR http://166.122.164.43/archive/2000/february/02%2D29%2D01.htm
\textsuperscript{xii}Radio Australia, Mar. 27, 2003. The Australian newspaper reported from Washington on April 16, 2003 that investigators in the United States have released details of six alleged terrorists, including two alleged Al Qaeda operatives, had been arrested in Southeast Asia in recent months carrying Nauruan passports. Nauru has agreed to abolish its investor passport scheme.
\textsuperscript{x}The Australian, April 9, 2003, PIR http://166.122.164.43/archive/2003/april/04%2D10%2D11.htm
\textsuperscript{xii}Particularly revealing of the different perspectives held by Australia and New Zealand was a press conference held on 29 June at Adelaide Airport. See, http://www.dfat.gov.au/media/transcripts/2003/030629_philgoff.html
\textsuperscript{xv}Joint Statement on Cooperation among Australia, Japan and New Zealand on Development Assistance in the Pacific region,” May 17, 2003.