

The Fix: A Grand Compact for the Pacific

The Problem:

The micro states of the Pacific are facing a range of potentially existential challenges. These include looming environmental catastrophe associated with global climate change, maritime, territorial and domestic security problems that are related to or exacerbated by great power contestation, and inadequate governance. Many of these nations are ill-prepared for the likely consequences and have limited capacity to respond. Visionary and respectful Australian engagement is now needed to avert disaster.

Long treated as a policy backwater in Canberra, the South Pacific is seen as Australia's (and New Zealand's) strategic safe space; the small states there have been taken for granted, partly because they are politically oriented towards their larger fellow Commonwealth states. At the time of Federation, much of the Pacific consisted of British colonies. States, post-independence, retained a legacy of English language and common law that left them oriented more towards Australia and New Zealand than elsewhere. Today, for many Pacific residents, Australia and New Zealand are first choice of location for education and alternative residence.

While proud of their distinctive cultures and independence, the small Pacific states value the aid and support of Australia and New Zealand. But they resent Australia's unwillingness to more actively lead in addressing the risk of environmental disaster. Their small populations and economies belie the enormous potential bestowed on them by the enactment in 1982 of the UN Convention on the Law of the Sea (UNCLOS), which has left them with exclusive economic zones (EEZs) that, cumulatively, are far greater and potentially more lucrative than that of many other more populous countries. Consequently, these states are subject, once again, to predatory behaviour.

During the Second World War, the South Pacific was fought over intensely, with US forces defending it as part of a strategy to keep sea lines of communication open. Today, it is difficult to envisage conflict on that scale, but the contest over the region's lucrative fisheries and the potential sea bed mineral resources is growing. As resources become scarce elsewhere, greater competition is likely.

Recent Chinese actions amongst the smaller Pacific states have generated concern in the West, particularly through China's apparently generous development loans for infrastructure projects of dubious viability. Those offers can lead to excessive debt that then gives China influence if not control over small and relatively vulnerable communities.

This all presents a growing crisis; but also an opportunity. Many in the region are open to respectful and collegial Australian engagement and leadership but suspicious of its cynical waxing and waning of enthusiasm for all things Pacific. The Federal Government's so-called 'Pacific Step-up' is a move in the right direction. But, for both altruistic reasons and to protect Australia's long term interests in the Pacific, something more far reaching should be offered.

The Proposal

Australia should offer a compact of association with South Pacific countries for shared governance. This would be akin to the treaty arrangements the United States has in the Pacific with Palau, the Marshall

Islands and the Federated States of Micronesia, and New Zealand has with Niue and the Cook Islands. The compact should come with an offer of residency (and, in turn, citizenship) should the situation become untenable in their home islands. In return, Australia should respectfully and collegially offer closer partnering arrangements over territorial and maritime domains, assisting with administration and management, security and governance – areas where Australia already has capacity, expertise and experience. This will inevitably involve coordination with New Zealand and, to some extent, with the United States. The offer should look to the precedent of these other Pacific arrangements, mindful of the need for tailored provisions that account for sensitivities of each participating state. The compact should be offered to:

Kiribati (population 115,000 & EEZ of 3.4 million km²),

Tonga (107,000 & 660,000 km²),

Tuvalu (11,000 & 750,000 km²), and

Nauru (11,000 & 308,000 km²).

That means Australia would offer residency rights and potentially citizenship to just over 244,000 people and help administer and guarantee sovereignty to a cumulative EEZ of over 5.118 million km². Australia would gain economically and politically from bolstering security and stability in the region, while also helping to limit the prospect of destabilising external interference.

Australia's former Prime Minister, Kevin Rudd, was recently criticised for proposing something similar: his 'formal constitutional condominium' triggered an angry reaction from Tuvalu's Prime Minister Enele Sopoaga, who accused Rudd of 'imperialist thinking'. But Sopoaga's criticisms are superficial. His remarks point to concerns over current policy regarding climate change – something that stronger domestic action could help ameliorate. The proposal outlined here is to offer a compact that is substantive, respectful, inclusive and voluntary.

A free compact arrangement makes sense for the smallest Pacific states because they have limited population and resources to sustain effective international representation, notably relating to asserting their rights and obligations under UNCLOS. The larger Pacific states have greater capacity to address these concerns. Still, a similar, but less all-encompassing supportive arrangement also should be considered for the larger Pacific states, including: Vanuatu (270,000 & 663,000 km²), Solomon Islands (600,000 & 1.59 million km²) and even Fiji (898,000 & 1.282 million km²). This could include more collaborative patrolling of EEZs by RAN vessels in support of the local authorities, and some additional opportunities for residency rights in Australia.

Papua New Guinea (with a population of over 8 million & EEZ of 2.402 million km² —larger than New Zealand's 4.66 million population) is in a league of its own; it is large enough to sustain the economic and administrative burden of managing its own EEZ and is too populous to offer full residency rights. Still, Australia also should look to bolster ties and deepen reciprocal arrangements there, particularly concerning policing, and related domestic governance issues.

Why It Will Work

The key to the success of a free compact arrangement would be presenting it in a respectful manner that considers Pacific environmental sensibilities. Further, it will work only if Australia avoids a

patronising, domineering and selfish approach. That would involve agreeing to safeguards that ensure the dignity and respect of the states involved. Articulating the mutual benefits will be critical to avoid the offer being seen as a neo-colonial land grab. Australia already heavily invests in bolstering governance, security, stability and prosperity in the Pacific. The 'Pacific Step-Up' encompasses not just the seasonal worker program (involving nearly 30,000 Pacific Islanders) but scholarships, infrastructure investment, climate and disaster resilience funding, a new patrol boat and aerial surveillance program, police and defence partnerships, and more. There is already much cooperation over law enforcement, and legal, and other administrative arrangements, suggesting greater collaboration through a compact would be workable, particularly if local sensitivities and cultural idiosyncracies are taken into account. This should be seen as a multi-generational collaborative commitment.

Australia has a demand for additional workers. And, as a nation of migrants that benefits enormously from its multicultural composition, it has the capacity to absorb a surge in population from the Pacific. As part of the compact, Pacific citizens could also be encouraged to serve in the Australian military and police forces.

Annually, Australia's net migration is about 200,000 people. The offer for 244,000 would be open over a span of years. Understandably, most islanders would likely prefer not to move; but in the face of environmental or economic imperatives, islanders should be given the freedom to choose. Those most feeling the need to relocate could be amongst the first to be offered residency.

Some Australians might balk at the cost of undertaking such a scheme, but in the long run the costs will be outweighed by the benefits that accrue from guaranteeing the peace, security and stability that shared governance would provide.

This model of engagement should be pursued not just because of the shared interests, but as a generous-spirited attempt to find a solution for the challenges faced by the Pacific micro-states. The confluence of great power contestation, a range of governance challenges and looming environmental catastrophe together point to the need for a concerted visionary response - a Grand Compact of Association for the Pacific.

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