The South Pacific is, at first glance, an unlikely setting for a chapter on state failure. The region is home to a dozen states and a similar number of related territories, all but one of which have a population of fewer than 1 million, and several of them have fewer than 20,000. Most of the region comprises small island states interspersed with vast stretches of ocean waters and isolated from the world’s power centres. With one exception, there are no land borders. Most of the island states are small in terms of population and land area, but they lay claim to vast maritime resources.

In recent years, however, perceptions of the South Pacific have changed – from an underperforming but basically benign region, to one that is now characterized as an “arc of instability”, comprising “weak” and “failing” states. Armed conflicts in Papua New Guinea’s eastern island of Bougainville and the neighbouring Solomon Islands have claimed thousands of lives over the past decade. Regional governments – led by Australia, the dominant metropolitan power in the South Pacific – have headed peacemaking interventions into both countries in recent years, with a considerable degree of success. Despite this, the region receives very little attention in the rest of the world and virtually no international media coverage. This chapter therefore begins by introducing the basic facts about the South Pacific, before moving on to a discussion of state failure and recent interventions in the region.

The Pacific Islands are usually thought to comprise three sub-regions – Melanesia, Polynesia and Micronesia – which reflect both cultural and
colonial differences. In the western Pacific, all of New Guinea and its associated islands are part of Melanesia, which contains the overwhelming majority of the region’s population and land area. Papua New Guinea is the largest country in Melanesia, and has a population of 5.7 million people – making it larger than all the other Pacific Islands combined. Papua New Guinea and the other Melanesian states of Fiji (800,000), the Solomon Islands (520,000) and Vanuatu (200,000) account for over 90 per cent of the population of the entire South Pacific region.

The cultural boundaries of Melanesia also spread further west, into the Indonesian province of West Papua (formerly Irian Jaya), the majority of whose people are culturally kin to those in Papua New Guinea rather than to the rest of Indonesia. The border between the two takes the form of a straight line down the middle of the island of New Guinea – a line that also serves as a bizarre division in international politics between “Asia” and “the Pacific”, separating language groups, tribes and sometimes even villages between the two world regions.

Further east, Polynesia contains some of the region’s smallest countries – including the world’s tiniest fully independent state, Tuvalu, which has a population of just 10,000. The two largest states in the region are Samoa (population 170,000) and Tonga (100,000). In part by virtue of their homogeneous populations and hierarchical traditional social structures, these countries have exhibited more stable government than the Melanesian countries – although this has come at the cost of also having a more limited form of democracy, with political office restricted to members of the traditional aristocracy. New Zealand has traditionally played a major role in Polynesian affairs, and two of the smallest Polynesian micro-states, the Cook Islands (15,000) and Niue (1,500), retain constitutional links with New Zealand as freely associated states.

Finally, in the Central Pacific, Micronesia’s links are mainly with the United States. Three independent states – the Republic of Marshall Islands, the Federated States of Micronesia and Palau – remain freely associated with the United States under a “compact relationship” that gives the United States extensive military concessions in return for generous economic assistance. There are two other independent Micronesian states: Kiribati (one of the Pacific’s poorest states) and Nauru (an island formerly administered by Australia that once boasted one of the world’s highest per capita GDPs owing to its now exhausted phosphate reserves).

The Pacific also includes the French territories of New Caledonia, Wallis and Futuna, and French Polynesia; and the American dependencies of American Samoa, Guam and the Northern Mariana Islands. Other powers have also played a colonial role in the Pacific: before being taken over by the United States at the end of the Second World War, much of Micronesia was held by Japan under a League of Nations mandate; simi-
Figure 6.1 Map of Papua New Guinea and the Solomon Islands (Source: United Nations, 2004, reproduced by permission of the United Nations Cartographic Section).
larly, Australia, New Zealand and the United Kingdom assumed man-
date responsibilities originally held by Germany in New Guinea, Samoa
and Nauru.

The arc of instability

For most of the past 20 years the South Pacific region has been distinctive
not for its failures but for its successes in building apparently stable and
democratic post-colonial states. On many comparative rankings of gov-
ernment performance, the South Pacific has ranked amongst the most
democratic regions in the world.\(^1\) For example, the US private founda-
tion Freedom House, which publishes a detailed annual ranking of polit-
ical and civil rights for every country, has routinely placed the entire
South Pacific region in the “free” category.\(^2\) Especially in the larger and
more populous Melanesian states of Papua New Guinea, the Solomon Is-
lands, Vanuatu and, intermittently, Fiji, freely contested and highly com-
petitive national and local elections have occurred regularly.\(^3\)

Despite this, over the past few years the perception of the South Pacific
has changed from an “oasis of democracy” to an “arc of instability”.\(^4\)
Melanesia in particular has been plagued by violent internal conflict, pre-
cipitating an “Africanization” of politics in which democratically elected
governments have been deposed through ethnic conflicts.\(^5\) One of the re-

gion’s most developed states, Fiji, experienced military coups in 1987 and
2000 – both times following the election of governments perceived to be
too close to the country’s Indo-Fijian community. Papua New Guinea has
faced a decade of civil war on its eastern island of Bougainville, which
has made claims of affinity with the neighbouring Solomon Islands. In ad-
dition, Papua New Guinea, Vanuatu and Fiji have all suffered army mu-
tinies in recent years.

The most dramatic case of state decline in the region is the Solomon
Islands. In June 2000 the elected government of the Solomon Islands,
one of the Pacific’s poorest states, was overthrown after rebels, aided by
elements of the police force, seized the capital and forced the resignation
of the incumbent prime minister. A peace deal negotiated in the Austra-
lian city of Townsville resulted in the distribution of some compensation
payments and the holding of elections in December 2001, which saw
a new government installed. The country remained in deep difficulty,
however, unable to pay public officials such as nurses and teachers or to
provide basic government services. Until the Australian-led Regional As-
sistance Mission to the Solomon Islands commenced in July 2003 (de-
scribed below), the Solomons was the country most often mentioned in
discussions of state failure in the Pacific. The Australian Strategic Policy
Institute called it a “failing state”, a term also used by the Australian government, while *The Economist* said that it “faces the prospect of becoming the Pacific’s first failed state”. Elsewhere, the tiny island of Nauru (population 11,000) is also approaching “failed state” status, but for very different reasons. Like the Solomon Islands, Nauru is now essentially bankrupt, dependent on laundering money, selling passports and receipts of external aid from Australia (in return for temporarily accepting several hundred unwanted Australian refugee claimants) and China (to which it recently switched allegiance from Taiwan) in order to survive. However, Nauru’s trajectory towards a failed state is quite different from that of the Solomon Islands, since it has lost, squandered or spent almost all of a once vast trust fund set up to manage revenues from its now exhausted phosphate resources. As one commentator has noted, “One state has failed because of its poverty, the other because of its inability to handle riches.”

The establishment of international shelf banks, shipping flags of convenience and passport sales has also brought the Pacific Islands into contact with a range of shady organizations, including terrorist groups. In early 2003, three vessels flying the Tongan flag were caught in the Mediterranean moving weapons, explosives and men for al Qaeda. In April 2003, US authorities reported that six alleged terrorists, including two alleged al Qaeda operatives, had been arrested in South East Asia carrying Nauruan passports. In 2003, Nauru promised to end its shelf banks and passport sales (which some other Pacific states also use as means of revenue-raising) after the United States proscribed such activities as part of its war on terrorism. It remains to be seen how Nauru will be kept solvent into the future without them.

Indicators of state failure

There is significant variation in the experience of South Pacific countries in building viable states. On the one hand, countries such as Samoa have been relatively successful post-colonial states, providing steady if unspectacular economic growth and stability of government, notwithstanding an ongoing dependence on foreign aid. On the other hand, the Solomon Islands displayed many of the hallmarks of a failing state.

A range of factors contribute to state failure in the region. The colonial legacy left a range of weak and sometimes artificial newly independent countries, some of them barely able to assume even the basic responsibilities of statehood. As a result, poor governance has been a major problem, along with weakened respect for the rule of law and central authority. Over the past decade, corruption has become widespread. Other
causes of tension include growing economic inequalities, changing social relations and the challenges to traditional lifestyles and authorities posed by the inexorable forces of modernization and urbanization. Taken together, these factors indicate a growing weakness of state capacity and an increasing likelihood of further troubles in the region in the future.

Many of these factors are common to other “weak state” or “failing state” scenarios. What distinguishes the South Pacific is the concentration of these factors in some of the most ethnolinguistically diverse societies to be found anywhere in the world, creating particular problems of unstable executive government, rent-seeking politics and ethnic conflict. These problems are concentrated in Melanesia, the Pacific’s most populous, diverse and impoverished region. Particular phenomena include the increasingly violent manipulation of ethnic identities, disputes over land and natural resources, tensions in civil–military relations, the proliferation of small arms, law and order problems, and deep structural weaknesses of governance. Each of these issues will now be dealt with briefly.

Ethnic divisions

The South Pacific is exceptionally diverse. More languages are spoken in Papua New Guinea alone than in all of Africa. Across Melanesia, over 1,200 indigenous languages (about one-quarter of the world’s languages) are spoken by a mere 10 million people, making it easily the most fragmented region in the world in ethnolinguistic terms. Even this figure understates the real level of ethnopolitical diversity: most linguistic groups are themselves fragmented into dozens of unilateral descent groups known as clans. Regional differences (for example, between coastal dwellers and highlanders in Papua New Guinea, or between east and west coasts in Fiji) are also important, as are tensions between “indigenous” and “settler” communities (such as between indigenous kanaks and French-settler caldoches in New Caledonia), between different island groups (for example, Malaita versus Guadalcanal in the Solomon Islands), between traditional chiefs and commoners (especially in Polynesia), and ultimately between cultures (for example, ethnic Fijians versus Indo-Fijians in Fiji).

Ethnic divisions are not necessarily negative. One reason that has been advanced for Papua New Guinea’s unusual longevity as a democracy is that there are so many groups that none can dominate and thus some kind of power-sharing at the political level is unavoidable. But ethnicity is a fluid phenomenon, and there have been several cases of fragmented social structures being transformed into bipolar, us-versus-them constellations as part of the conflict spiral. This was the case in the long-running Bougainville war and again more recently in the Solomon Islands, where
ethnic tensions between different island populations have been exploited in order to challenge the legitimacy of the state itself. Often ethnicity is used as a way of mobilizing support to achieve economic gains. The centrality of exploitable resources to many apparently “ethnic” conflicts has been an underlying factor driving a number of South Pacific conflicts, most of which are, in reality, power struggles over control of resources and control of the state rather than outbreaks of ancient hatreds. The most obvious manifestation of this resource-driven pattern of conflict is the lucrative tropical timber industry, the exploitation of which has played an important role in contributing to corruption, distortion of the market-place and the resort to violence in countries such as Papua New Guinea, Fiji and the Solomon Islands. In Fiji, where the bicultural ethnic cleavage is most stark, the 2000 coup appears to have been as much about access to mahogany leases and a redistribution of forces within the indigenous Fijian community as it was an attack upon Indo-Fijians.

Land disputes

Across the region, the most precious resource of all is land itself. Land ownership, land redistribution, land reform and land exploitation have been major factors underlying much supposedly ethnic or political conflict. Two main types of conflict over land appear to be at work in the region. In the first type, tensions between indigenous populations and settler groups, each with different approaches to land ownership and exploitation, act as a combustible formula to mobilize deep (but often latent) perceptions of ethnic difference. This has been a recurring pattern in countries with an identifiable indigenous–settler cleavage, such as Fiji and New Caledonia, where disputes over land ownership have been deepened by differences in the skills and livelihoods of the particular ethnic groups. But the second type of conflict is likely to become more common in the future. This is a conflict between established local populations and in-migrants from adjacent islands, as in the Solomon Islands between migrants from Malaita residing on the island of Guadalcanal. In this and a number of other conflicts over land in the region, tensions between traditional forms of title and ownership of private property are increasingly prevalent. In both cases, however, access to land and the perception of group inequality have been readily exploited by ethnic leaders as a potent mobilizing force.

Civil–military relations

Unpredictability in terms of civil–military relations in the region has also been a factor, at least since the first Fijian coups in 1987 carried out
by Sitiveni Rabuka and a team of Fijian army officers. Ten years later, in March 1997, came the so-called Sandline affair in Papua New Guinea, when the Papua New Guinea Defence Force refused to accept government attempts to hire a force of largely South African mercenaries for the ongoing secessionist war on Bougainville. The revolt stopped well short of a full-scale attempted coup, but nonetheless forced Prime Minister Julius Chan to stand aside in the lead-up to the 1997 elections, in which he and most of his cabinet lost their seats. The 2000 coup in Fiji led by George Speight was also carried out with the assistance of elements of the Fijian military, particularly the Special Forces, and the aftermath of the coup saw several officers court-marshalled after a bloody shoot-out between different units of the military as traditional power holders re-established control.

Less dramatically, the defence forces of both Vanuatu and Papua New Guinea have been involved in recent years in mutinous industrial protests against government plans for pay-cuts and staff reductions. In both cases, the rebellious units were persuaded to return to barracks after a period of negotiation with the government. The fact that such insurrections occurred at all, however, led governments in both countries to shy away from further attempts at reform, choosing instead to maintain an oversized and underperforming military force. A further problem is that the kinds of security issues countries such as Vanuatu or the Solomon Islands face are internal or transnational, and more suited to a police than a military response. However, indigenous police forces have been poorly equipped to meet these challenges.

Small arms proliferation

Until recently, the South Pacific’s geographical isolation helped protect it from the abundant supply of cheap light weapons that have fuelled conflicts in other regions. There is documented evidence, however, of guns being passed from the mainland of Papua New Guinea, through Bougainville, and down to combatants in the Solomon Islands. And small arms and the glamorization of military culture have also spread into other parts of Papua New Guinea – the Southern Highlands province, to give but one example, is plagued by violence.

There are other ways in which guns can be placed in the hands of rebel forces, as was shown by the Fiji coup in May 2000. Utilizing arms stolen from military depots, George Speight and his supporters – including members of the Fijian army’s Special Forces Unit – amassed an extraordinary armoury of firepower, taking the government hostage. Two weeks later, in the Solomon Islands, Prime Minister Bartholomew Ulufa’alu was forced to resign at gunpoint after armed rebels from the Malaita Eagle Force seized the capital. In the Solomon Islands it was
the police force (whose members are overwhelmingly Malaitan) that supplied the weapons. In each case, the key has been access to weapons, mostly stolen from military or police armouries.

Law and order

Law and order is one of the most serious problems facing states such as Papua New Guinea and the Solomon Islands. Weak governance, a plentiful supply of weapons, the glorification of gun culture and few employment prospects have contributed to an environment of violence. In the Solomon Islands prior to the Australian-led Regional Assistance Mission, for example, the 1998–2000 ethnic conflict shaded into ongoing violence, lawlessness and intimidation. There was a broad pattern of criminality and impunity, as serious crimes such as murder went unpunished. Ex-militants and criminal gangs were involved in extortion and related activities, and regularly intimidated and threatened politicians and public officials.

The Solomon Islands police were themselves a major part of the law and order crisis. Some members of the police force had connections with criminal gangs and ex-militias; most of the rest were powerless to enforce law and order. Those members of the force who were involved in the ethnic conflict on the Malaitan side were allowed back into the police under the Townsville Peace Agreement. Many ex-militants were also appointed as special constables, a move that exacerbated the law and order crisis.

Weak governance

One indicator of state failure is a steady collapse of basic services such as health, education and transport infrastructure. Since governments in some South Pacific countries are nearly bankrupt, there has been insufficient government money to pay healthcare workers or teachers. A youth bulge, poor education and few employment prospects are a dangerous mix: young men look up to those with guns rather than to teachers or other positive role models. In the Solomon Islands, for example, a violent internal ethnopolitical conflict, amounting to civil war, saw the economy deteriorate sharply: foreign investment plummeted, exports collapsed and the government was bankrupt. The country’s GDP had halved since independence. Education was particularly difficult in such conditions, and many primary and secondary schools in the Solomon Islands remained closed for most of 2002.

Governance problems affect different parts of the Pacific in different ways. In Melanesia, problems of governance are endemic and stem in
part from the nature of democratic politics. There is an odd mingling of
traditional tribal culture with Westminster-style institutions. Political
parties are not based around cleavages of class or ideology, and most
candidates are not aligned with any party but stand as independents. As
a result, executive government tends to be unstable, because without
strong parties it is difficult to avoid shifts in support within parliament.
No-confidence votes and unstable governments have been ongoing prob-
lems in Papua New Guinea, the Solomon Islands and Vanuatu. Most
members of parliament lose their seats at each election, meaning there
are relatively few politicians who last more than two or three terms.
And there are almost no women in parliament. Significantly, in the few
cases where there has been a meaningful party system – in Fiji or in
Vanuatu, for example – party structures have been formed primarily
around identity-based factors, such as the Indian–Fijian split in Fiji or
the anglophone–francophone division in Vanuatu. Recently, Papua New
Guinea passed an ambitious constitutional reform aimed at building a
more coherent and stable political system, although it remains to be
seen whether this initiative will have the desired results.

The question of viability

Is there a minimum size of population, economy or territory, or a mini-
imum degree of effectiveness of government, for a successful state? These
are questions that should perhaps be asked of the states in the South Pa-
cific. Certainly, there are cases in the region in which the gap between ju-
ridical sovereignty and effective statehood is yawningly wide.

Prior to independence there were several proposals to group the states
of the South-West Pacific into a Melanesian federation, and similar plans
were raised in other parts of the Pacific. But, with one or two exceptions
(the Federated States of Micronesia, which was formed by the amalgam-
ation of Yap, Chuuk, Pohnpei and Kosrae in 1986, being the main ex-
ample), such proposals were never seriously pursued. Indeed, the recent
trend in the Pacific has been for even greater fragmentation: Tuvalu was
created by its separation from the Gilbert Islands (now Kiribati) in 1978;
Bougainville has attempted to secede from Papua New Guinea; and there
are persistent “breakaway” movements in other countries, such as the
Western Provinces of the Solomon Islands. However, there has recently
been a renewed push for the sharing of regional resources. Australia and
New Zealand have led this push, and it has received a considerable de-
gree of acceptance throughout the region.

There is a question about the long-term viability of some Pacific Island
states, particularly given the effect that global warming and rising sea
levels may have on several low-lying atoll states, and other problems such as small populations, lack of employment opportunities, distance from potential markets, unsustainable population growth, the colonial legacy and the difficult overlay of sovereign statehood on to traditional societies that do not cohere with borders. However, it is notable that small size does not appear to be a determinant of state failure. The relative success of the Pacific’s (and the world’s) smallest state, Tuvalu, has been hailed as proof that “small is viable”, whereas the region’s most intractable problems have occurred in the larger Melanesian states such as Papua New Guinea and the Solomon Islands.16

Part of the problem in these countries is the very “statelessness” of traditional societies. In contrast to the homogeneous and hierarchical Polynesian kingdoms, most of which had well-established statelike forms of social organization prior to European contact, most of Melanesia was essentially stateless, composed of thousands of small acephalous social groups. As a consequence, countries such as the Solomon Islands inherited colonial institutions of statehood that have not properly taken root.17

The increasing glorification of gun culture in parts of the Solomons and Papua New Guinea is a good demonstration of the vexed question of how modern statehood relates to the pre-existing society. In Papua New Guinea, conflict is part of the traditional social order, and communities had highly ritualized tribal wars. The now-plentiful supply of semi-automatic weaponry, however, has changed the nature of the conflict and made it far more destructive.

International intervention

For most of the world, the Pacific Islands are obscure and unimportant. Conflicts in the region attract little if any international media coverage and have minimal strategic importance for any Western country beyond Australia and New Zealand. This has serious implications for potential international intervention in intra-state conflicts, which are inevitably based on a combination of media coverage and a sober calculation of strategic interest. However, two conflicts in the region, in Bougainville and the Solomon Islands, have recently been the target of international interventions to restore peace.

Bougainville

The most serious security issue in the Pacific Island region in the 1990s centred around the demand by rebel groups for Bougainville’s independence, a demand opposed not only by Papua New Guinea but also by
many Bougainvilleans. Before the conflict began, Bougainville’s substantial contribution to Papua New Guinea’s national economy was disproportionate to its small size and population, mainly owing to the enormous open-cut copper, gold and silver mine at Panguna in the central mountains of the main island, which operated from 1972 until the conflict caused its closure in 1989.

A series of increasingly violent clashes between government forces and the various pro- and anti-independence militias came to a head in 1997, when the Papua New Guinea government commissioned an international mercenary service, Executive Outcomes, to attack the rebels. In a surprise move, the Papua New Guinean army’s chief commander announced the refusal of his forces to work with the mercenaries, who were ejected from the country. Prime Minister Julius Chan and two key ministers involved in engaging the mercenaries were forced to stand down. These events helped create conditions conducive to the remarkable progress towards conflict resolution that occurred in the latter part of 1997. Taking advantage of that changed position at the national level, rebel forces began to make direct contact with the central government. Further developments resulted in the New Zealand government facilitating talks between the Bougainvillean leaders. These talks resulted in a cease-fire agreement, followed by the deployment on the island of an unarmed Peace Monitoring Group, led by Australia, accompanied by a UN observer team.

Since then, successive agreements – notably the “Loloata Understanding” of March 2000 and the Bougainville Peace Agreement signed at Arawa in August 2001 – have helped sustain peace and have paved the way for a self-determination referendum on Bougainville’s political status to be held at some unspecified time in the future, after an extended period of autonomy from the central government. Whether a referendum can actually be conducted in Bougainville, and whether the various disputants will accept the result, remain to be seen. However, the commitment to hold and recognize the results of the referendum has been affirmed by Australia, which previously opposed any such step that could lead to independence.

*The Solomon Islands*

The slide into civil war in the Solomon Islands, which had been a functioning democracy since its emergence as an independent state in 1978, is a good example of the shifting international interest in conflicts in the South Pacific. When ethnic tension began to escalate in 1998 between residents of Guadalcanal and settlers from the adjacent island of Malaita, the country moved rapidly from a state of ethnic tension to a virtual civil
war. In June 2000, Prime Minister Bartholomew Ulufa’alu was taken hostage by Malaitan rebels, who demanded, and received, his resignation. With the capital under the control of a militia force and a democratically elected government deposed by force, the immediate response from the Solomon Islands government, or what was left of it, was to ask for external military assistance to restore peace.

These requests were ignored, both by regional powers such as Australia and New Zealand, but also by the United Nations. Despite the pleas of the Solomon Islands representative in New York, neither the General Assembly nor the Security Council would discuss the crisis – primarily because there was no state willing to raise and sponsor such a discussion. To do so would inevitably have led to the expectation that, if any external assistance were authorized, then Australia and New Zealand – the only developed countries with strategic interests in the islands – would be responsible for any intervention. The governments of both countries had already made it clear that this was not something they were prepared to countenance. So there the matter lapsed, along with the elected government of the Solomon Islands.

However, in October 2000 the Australian and New Zealand governments, with support from the Commonwealth Secretariat, did facilitate a peace process, the Townsville Peace Agreement, which provided a temporary end to hostilities via an unarmed International Peace Monitoring Group composed of officials from Australia and New Zealand and from the police forces of Pacific Islands nations, including Vanuatu, the Cook Islands and Tonga. But the peace deal did not address the underlying issues that had fuelled the conflict, and problems in the Solomons continued to multiply.

In June 2003, in a major policy shift, the Australian government announced its intention to lead a multinational police and military operation into the Solomon Islands in an effort to revive the failing state: over 2,000 personnel from Australia, New Zealand, Papua New Guinea, Fiji, Tonga and other states in the region were deployed in the Regional Assistance Mission to the Solomon Islands, Operation Helpem Fren (“helping a friend” in Pidgin). A civilian Special Coordinator of the mission was also appointed. For its part, Australia deployed 1,500 Australian Defence Force personnel, along with over 200 members of the Australian Federal Police. The first phase of this mission involved the restoration of law and order and the puncturing of the climate of lawlessness and impunity. The deployed police worked alongside members of the Royal Solomon Islands Police – itself in need of substantial reconfiguration – to remove guns from the gangs and ex-militia members and to protect key political figures from intimidation.
Although primarily a policing operation, the mission was initially supported by a sizeable military deployment. This military contingent provided the police with logistical support and protection if required. By the end of 2003, law and order had been significantly restored in the major urban areas, and the bulk of the military contingent withdrew.

The second phase of the assistance mission involves broader state-building. A number of civilian officials have been deployed to the Solomon Islands as part of a package of economic, law and justice, and financial assistance. The purpose of this package is to help Solomon Islanders build effective political and security institutions, address their economic and social problems, revive the economy and ensure that government services are again delivered to citizens. The deployed police are helping to conduct criminal investigations and to rebuild the Royal Solomon Islands Police. They will remain on the ground for a number of years. This phase is a long-term commitment, which may last up to 10 years.

The Australian-led Solomon Islands rescue plan received broad support from the region and the endorsement of the Pacific Islands Forum, the multilateral regional organization. Pacific Islands Forum foreign ministers placed the mission within the framework of the Forum’s Biketawa Declaration, which provided for a collective response to security threats – this was the first time this declaration had been activated. Neighbouring countries in the South Pacific acknowledged that the Solomon Islands crisis risked destabilizing the rest of the region. Both the UN Secretary-General and the UN Security Council also issued statements after the commencement of the mission welcoming the operation and its regional nature.

The plan also received the support of the Solomon Islands parliament. Indeed, requests from the Solomon Islands Governor General and the prime minister, together with parliament’s support and overwhelming popular support, were key factors in this policy shift towards what the Australian government has described as “cooperative intervention”. The Solomon Islands’ consent to this intrusion on its sovereignty helped to allay regional concerns.

Although the assistance mission has been proceeding well, many challenges still lie ahead. Rebuilding the Solomon Islands’ institutions and targeting corruption are long-term and complex endeavours and Solomon Islanders expect continuing improvement. The mission has been based on a minimal derogation of the sovereignty of the Solomon Islands. It is therefore vulnerable to changing political alignments within the parliament. Furthermore, the mission faces the continuing challenge of working in partnership with Solomon Islanders to build up Solomon Islanders’ skills, and not to erode them.
Australia’s new policy in the South Pacific

Australia’s intervention in the Solomon Islands represented a dramatic shift in Australia’s policy approach towards the South Pacific. This policy shift stemmed in part from the increasing recognition that Australia’s national interests were engaged by the deterioration of some of the states in its neighbourhood.

In general, states determine their level of engagement with a region on the basis of a stark calculation of their national interests. So what are Australia’s interests in the South Pacific? As the regional metropole, Australia’s interests in the South Pacific arise primarily from geography: the region is on Australia’s doorstep, in an arc to its north-east. Australia therefore has enduring strategic interests in the South Pacific. As Australia’s *Defence 2000* White Paper makes clear, Australia has a stake in ensuring that the states in its immediate neighbourhood are stable and secure, and not beset by territorial uncertainty or threatened by “major internal challenges”.

Australia also has an interest in preventing “the positioning in neighbouring states of foreign forces that might be used to attack Australia.”

The 11 September 2001 attacks in New York and Washington, DC, and the bombing in Bali on 12 October 2002 – which killed 202 people, 88 of them Australian – also had an impact on Australia’s calculation. Policy makers in Australia had a heightened awareness of the security implications of state failure in the region.

Another concern was the potential for transnational crime in the South Pacific. A number of South Pacific states are fast approaching bankruptcy. This makes them vulnerable to influence by both state and non-state actors that might seek to provide money for all sorts of purposes, including the sale of sovereignty. Nauru, Tonga, Samoa and other island states have sold thousands of passports to foreign citizens. Vanuatu has sold shipping flags and, like Nauru, has been a centre of money laundering owing to its weak banking regulations. And the Solomon Islands government has considered receiving aid funding from Taiwan in return for using one of its outer islands as a toxic waste dump, amid other potential sales of its sovereignty.

When states institutions are weak, the shadow state that forms in its stead can become very strong. In Papua New Guinea, networks for drug smuggling are well established. Corruption easily becomes entrenched; often the only way that the state can function (and members of the government get paid) is if shadow state networks and contacts are utilized. In the Solomon Islands, government officials had close contact with former members of the Malaitan Eagle Force and with current criminal gangs.
There are also humanitarian and moral dimensions to any calculation of Australia’s interests. Australia has a historical association with the peoples of the South Pacific and has traditionally responded to humanitarian crises in the region. As the major power in the South Pacific, Australia’s behaviour in the region affects the way Australia is viewed internationally. In the event of dramatic circumstances – for example, the January 2003 cyclone in the Solomon Islands – there is an expectation, internationally and in the region, that Australia should assist. As the Australian government’s 2003 Defence Update acknowledges: “The strength of our national interests, and our prominent leadership role in the region, means that Australia could be called upon to provide assistance to the region in times of crisis, and will need to maintain the capability to respond effectively.”

Finally, Australia has significant commercial and economic interests in the South Pacific that are damaged by law and order problems, corruption and weak governance. There are also opportunity costs. Moreover, the Australian government has the responsibility to protect the thousands of Australians residing, travelling and conducting business in the South Pacific.

However, Australia had until recently viewed the parlous situation in much of the South Pacific with a relative lack of interest. Australian policy towards the South Pacific countries since their independence had essentially been to provide them with aid but to expect them to solve their own problems and merely to support them in their own efforts. As the decline in the region gathered pace in the 1990s, Australian governments judged that Australia’s interests were not sufficiently engaged by the problems in the South Pacific to alter their policy approach; for example, Australia decided not to intervene in the ethnic conflict and de facto coup in the Solomon Islands. Indeed, the objective in the region has been described as being to “cleverly manage trouble.”

This policy paradigm towards the South Pacific was underpinned by respect for the status of these countries as sovereign states and by a rejection of colonialism. The Australian government acknowledged in its 2003 Foreign and Trade Policy White Paper: “Australia cannot presume to fix the problems of the South Pacific countries. Australia is not a neo-colonial power. The island countries are independent sovereign states,” The policy approach was also based on the assumption that, when these countries became independent, they acquired not only juridical sovereignty but also the capacity to be viable entities in their own right.

Three factors have driven a reassessment of this long-standing policy paradigm. First, there was a growing belief in Australian policy circles that the security challenges posed by state weakness in the South Pacific were such that Australia’s level of engagement in the South Pacific
should be reassessed. Second, there was growing awareness that the existing policy approach was not working. It was based on the presumption that the island states could solve their own problems, whereas it was increasingly recognized that countries such as the Solomon Islands did not have the capacity adequately to do so. Third, there was a growing consensus that Australia has a responsibility towards the region and is uniquely placed as the region’s metropole to assist.

In reality, Australia’s choices were relatively constrained. In theory, Australia could cease its assistance to the South Pacific, as some economists had advocated, but in practice this was extremely unlikely. Or Australia could continue its existing policy and keep expecting the countries of the region to solve their own problems. Or Australia could become more engaged. The cautions put forward by exponents of Australia’s existing policy paradigm included wariness about raising the spectre of colonialism. The policy challenge for Australia was then to see whether there was a way of constructively engaging the countries of the South Pacific that managed the risks attached to increased engagement.

The Australian-led “cooperative intervention” in the Solomon Islands of July 2003 was therefore a marked departure from the Australian government’s previous policy towards the South Pacific. It stemmed in part from a recognition of Australia’s responsibility to the region, but also from a calculation of the security implications of regional state failure. Australian Foreign Minister Alexander Downer stated in June 2003 that “we will not sit back and watch while a country slips inexorably into decay and disorder. I say this not just for altruistic reasons. Already the region is troubled by business scams, illegal exploitation of natural resources, crimes such as gun running, and the selling of passports and bank licences to dubious foreign interests.”

A greater willingness to intervene on the part of potential interveners such as Australia, as well as acceptance by recipient states such as the Solomon Islands, is likely to lead, over the longer term, to consideration of other consensual intrusions on sovereignty. Indeed, Australia and Papua New Guinea have since agreed to an “Enhanced Cooperation Package”, whereby around 300 Australian police and public servants will be deployed to Papua New Guinea to help address governance and law and order problems.

Pacific Island economies are already integrated with Australia and New Zealand through trade, migration, aid, remittances and military security ties. But much more could be done, especially in areas such as trade and labour mobility. This will require more direct engagement on the part of countries such as Australia and New Zealand in relation to secondment of staff, reciprocal placements and training, and service delivery in key areas such as health and education. There are starting to
be moves in this direction. Ensuring state viability in the South Pacific will also require closer educational, security and economic integration with neighbours and regional powers, and a more dynamic approach to regionalism from organizations such as the Pacific Islands Forum.

However, there are risks associated with Australia’s new policy approach as well. In particular, there are some concerns in the region about Australia’s heavy-handedness and its possible motives in seeking greater engagement in the region. To allay these concerns, the Australian government will need to work to build consensus in the region and proceed with due regard for regional sensitivities. Otherwise, there is a risk that worries about Australia’s style could scupper the broad agreement on greater Australian engagement and closer regional integration.

Lessons

How then should the international community respond to state failure? From an analysis of the situation in the South Pacific and international interventions in the region, a number of lessons can be drawn for potential interventions in weak and failing states.

First, issues of sovereignty arise as part of any international intervention, and ideally any response should have the consent of the state involved. In the Pacific, this has been less of a problem than in other regions of the world. In fact, there have been complaints from some governments (for example, the Solomon Islands) about the lack of forceful and timely intervention from regional powers such as Australia. Consent may allay regional fears of less-than-benign intentions behind the intervention. It also helps to ensure that “intervention” is not understood as merely sending in troops, but focuses on real needs such as the restoration of law and order and restructuring of institutions such as the police.

Second, closer regional cooperation is the key to resurrecting a bad neighbourhood. Regional problems require regional support and a regional response. Wherever possible, such responses should be multinational and draw in interested states from the region and beyond. The broad support of the rest of the South Pacific for the Australian-led involvement in the Solomon Islands, for example, has been a critical feature of the operation. And a multilateral approach helps to deflect accusations of neo-colonialism. Interventions should receive endorsement from a regional multilateral forum and, ideally, from the United Nations.

Third, the new security environment has created opportunities both for regional engagement and regional cooperation. Recent regional cooperation on counter-terrorism and other transnational issues provides a good model, and can be built upon to encourage greater international engage-
ment with the island countries. Note that intervention for peace monitoring does not necessarily mean armed forces. The various international truce and peace monitoring missions in Bougainville and the Solomon Islands succeeded in lowering tensions, in part because of their multinational composition but also because they were unarmed. Indeed, unarmed peace monitors have proven surprisingly good at monitoring shaky peace deals.

Fourth, some of the most serious security problems facing weak and failing states are ones of internal or transnational security, which require a robust policing – as opposed to military – response. Most South Pacific countries do not have a military force at all. Some countries, however, such as Vanuatu, make their police force a branch of the military, complicating relations between the forces. As a result, the division of roles becomes increasingly unclear. Comparative experience suggests that many crisis situations are better suited to a primarily police response than a primarily military intervention.

For example, although the Australian-led deployment to the Solomon Islands initially involved a significant military component to protect the police and to remove illegal weapons, the restoration of security in the Solomon Islands is first and foremost a policing operation. More resources need to be put into building capacity for police responses of this nature. Assistance could involve not only building up indigenous police capacity, but also creating a regional police response capability when crises arise.

Finally, state-building is a long-term process. Supporting weak and failing states requires a sustained and often open-ended commitment. Constructive engagement must directly address weak institution and governance issues and chronic economic and social problems. Efforts should include the creation of robust rule of law (police, corrections and judiciary) and the strengthening of institutions and governance. There should also be increasing moves to deal more directly with grassroots groups and with strong local institutions such as the churches.

For Australia’s part, this means an ongoing and increasing commitment to the South Pacific: as one commentator has noted, it makes little sense to devise an exit strategy from your own immediate neighbourhood.34

Notes

1. See, for example, Alfred Stepan and Cindy Skach, “Constitutional Frameworks and Democratic Consolidation: Parliamentarism versus Presidentialism”, World Politics, Vol. 46, No. 1, 1993, pp. 1–22. Stepan and Skach found that, of the 93 countries of the
world that became independent between 1945 and 1979, only 15 were still continuous democracies in 1980–1989 – and one-third of these were in the South Pacific.


3. Some comparative studies have counted states such as Papua New Guinea amongst the small number of “established democracies” in the developing world. See, for example, Arend Lijphart, *Patterns of Democracy: Government Forms and Performance in Thirty-Six Countries*, New Haven and London: Yale University Press, 1999.


10. See Andrea Armstrong and Barnett R. Rubin in chapter 4 in this volume, pp. 92–93.

11. ASPI, *Our Failing Neighbour*.

12. Ibid.

13. Ibid.

14. See James Mayall in chapter 2 in this volume.


17. See Michael Ignatieff, chapter 3 in this volume, p. 70, and James Mayall, chapter 2 in this volume, pp. 48–50.


23. Ibid.


30. ASPI, *Our Failing Neighbour*.
34. Dobell, “The South Pacific”, p. 15.