

17 July 2012

Fiji: Carving Out Its Own Political Space

Since its 2006 coup, Fiji has demonstrated that Australian power and influence in the South Pacific can be challenged by its smaller neighbors. But will Fiji overplay its hand?

By Eddie Walsh for ISN

The vast majority of the world's small states are the [developing small island states](#) which dot the Pacific and are far removed from major regional centers. Profoundly dependent on [tourism and primary export crops](#), these states are [particularly vulnerable](#) to fluctuations in the global economy. As a result, many are heavily dependent on [development aid](#) and [emergency assistance](#). In return, Australia and its allies have carved out a sphere of influence in the Pacific which has gone unchallenged for decades.

With the rise of China, however, cracks are starting to form in Australia's regional dominance. The Pacific island nations have discovered a [new source](#) of development assistance to offset their traditional dependence on Western aid. And although the Chinese approach has [its weaknesses](#), its extensive loan programs pose a [serious long-term challenge](#) to Australian power and influence in the Pacific. To make matters worse, the region's small states may be experiencing a delayed shift in their [strategic cultures](#), which could push certain countries away from their traditional ties with Australia.

Despite these [challenges](#), however, Australia remains the dominant strategic player in the Pacific where it matters most: development aid, trade and investment, and regional security. But defending this leadership position comes at no small cost to Australian taxpayers. In 2011-12 alone, the government expects to provide \$1.16 billion in Official Development Assistance (ODA) to Pacific island countries and Papua New Guinea. To put this in perspective, that figure represents almost [half of all global ODA for the region and a quarter of Australia's total budgeted ODA](#) .

This allocation, of course, leads to [periodic debates](#) over whether the expenditures are worth it, especially when Australia's small island neighbors present no immediate threat to anyone. Despite these debates, Australian fears of an "[arc of instability](#)" in the Pacific - coupled with uncertainty over the strategic expansion of China and [other Asian powers](#) into the area - have thus far insulated its ODA policy from attack. That Australia's bid to secure a seat on the United Nations Security Council, relies in part on a robust foreign presence [has not hurt](#) the policy either.

Given all the above considerations, the question moving forward is whether Australia can sustain its leadership in a region now undergoing large-scale changes. An examination of the state of Australia-Fiji relations illustrates this point particularly well.

Fiji's Power Play

Despite being the obvious junior partner in its relationship with Australia, Fiji's current regime managed to exploit Australian [strategic insecurities](#) when it took power after a 2006 coup. Soon after the takeover, Commodore Frank Bainimarama and his allies concluded that as long as they maintained internal order in Fiji, Australia would not militarily intervene. Such a reaction, they reasoned, would set a bad precedent in a region where small states remain wary of being pushed around by a dominant power.

In effect, this line of reasoning held. Australia could not afford to have its regional dominance perceived as a threat. A military intervention would have compromised its 'soft power' credentials and encouraged its small neighbors to explore new collective or bilateral security arrangements. In the end then, Canberra was forced to settle for [less punitive measures](#) against Fiji. It could [do little](#) to prevent the Bainimarama regime from tightening its grip on power, or from adopting policies not in Canberra's interests.

Australia's decision not to intervene in Fiji's internal affairs also allowed the latter to 1) pursue bilateral [policies](#) aimed at reducing its lopsided dependence on its larger neighbor, and 2) undermine international support for Australia's hostile attitude towards the new government. This has included playing the 'China card'; indeed, as one Western diplomat [recently put it](#), "Fiji has very publicly 'looked north' in the wake of its suspension from the Pacific Islands Forum." This look north has also sought to strengthen Fiji's relations with other Asian powers, particularly [Japan](#) and specific [ASEAN member states](#). It even [tried to transform](#) the Melanesian Spearhead Group (MSG) into a viable alternative to the Pacific Islands Forum, and a possible [coalition for resisting Australian influence](#).

On the domestic front, Fiji's new government used its confrontation with Australia to minimize Canberra's strategic influence in key commercial sectors, including media and tourism. In 2010, for example, the government forced the sale of the Fiji Times by requiring the Australian-based News Corporation Limited to [divest all but 10% of its interest](#) in it. More recently, a row erupted with Qantas Airways when it was informed that [two-thirds of Air Pacific's directors](#), in which Qantas holds a 46% stake, would now have to be Fijian citizens. (Many have characterized this move as a veiled effort by the Fijian government to take over the airline, in which it is the majority stakeholder.) Both moves have spurred mixed emotions, with Fiji asserting its [right to protect](#) itself against undue [political](#) and [commercial interests](#), and Australia countering that the moves illustrate Fiji's new authoritarian tendencies.

The lessons from the above tale are fairly clear. Small state-large state dynamics at play in recent Fijian- Australian relations demonstrate that Canberra's power and influence in the Pacific can be checked by smaller neighbors exercising deft diplomacy. Right or wrong, Fiji has successfully exploited Australia's strategic anxiety about intervening in the internal affairs of its smaller neighbors. On more than one occasion, therefore, this has allowed Fiji to increase its diplomatic leverage against Australia.

But, experts caution, Fiji must not overplay its hand. While for the time being it may have carved out the space needed to implement policies that run counter to Australian wishes, the government has also committed itself to reinstating democracy and [normalizing](#) its foreign relations. If the Bainimarama regime fails to deliver on these promises, it may prove unable to maintain internal stability and public order, with powerful internal and external actors then being willing and able to [foment unrest](#). Under such circumstances, Australia would find it far easier to intervene, under the aegis of either a regional (Pacific Islands Forum) or international (Responsibility to Protect) mandate. If this were the case, Fiji's daring and controversial record of standing up to Australian power in the Pacific would come back to haunt it.

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Publisher

[International Relations and Security Network \(ISN\)](#)

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