

No exit

Next steps to help promote South Pacific peace and prosperity

87

A S P I

AUSTRALIAN
STRATEGIC
POLICY
INSTITUTE

Karl Claxton

Executive summary

As Australia focuses on its global interests in a changing and challenging international environment, there's a danger that we'll lose sight of important constants of history and geography. On the surface, our near abroad shows more signs for hope than at any time since 2006, when mayhem re-emerged in Timor-Leste and Solomon Islands, Fiji suffered its fourth coup, and rioters torched Tonga's capital. But, a decade on, causes for concern remain, and the very trends fixing our attention on global worries could raise the costs of regional problems. We don't, then, have an either/or choice to focus on near or distant security imperatives. While the Australian Government's decision to lift defence funding will help with this, cutting aid to help offset that boost may prove counterproductive. We also need to further improve the quality of our aid and regional diplomacy, as well as the hard and soft aspects of our security engagement.



Contemporary Port Moresby. Author's photo.

Useful steps would include:

- restoring Australia's aid budget as soon as circumstances permit
- expanding the Pacific Seasonal Worker Program and considering a Pacific migration category
- working with neighbours to constructively engage Fiji on future regional architecture
- adopting a 'smorgasbord' rather than one-size-fits-all approach to regional trade negotiations
- enhancing interagency mechanisms to identify, prioritise, and manage 'slow-burner' challenges
- retaining the concept of a primary operational environment in the next Defence White Paper
- utilising our new amphibious vessels to further deepen defence engagement
- preserving a substantial deployable policing capability
- considering inviting relevant police ministers to future South Pacific Defence Ministers' Meetings.

Introduction

Like any government, ours doesn't always pay much attention to the obvious. One of the hardest of simple tasks is to stay alert to the fundamentals and givens of the nation's strategic setting. But global and regional trends mean we must find space in a busy agenda to think afresh about the basics of our regional interests.

Far from marking an end to the need to be a good regional security-manager, the conclusion of lengthy stabilisation missions in Timor-Leste and Solomon Islands, the reintegration of AusAID into the Department of Foreign Affairs and Trade (DFAT), and the expected outward-looking focus of the next Defence White Paper only reinforce the significance of sophisticated multi-agency cooperation in our near neighbourhood.

Addressing regional security challenges efficiently and effectively may become an even stronger imperative to unlock resources for more distant objectives, and as international interest in Oceania grows—raising the potential cost of local instability. Rather than declaring 'Job done' in the Pacific islands, we need to consider what future jobs will require.

To reduce the likelihood that Australia will have to lead further costly, risky interventions, it's widely agreed that we should lift our game, harnessing all instruments of national power and regional relationships to help prevent friction arising in the first place. Acting before conditions are acute might also set conditions for success if things go badly and we still have to intervene.

But aligning policy levers to promote growth and stability is far easier said than done. The economic and security challenges confronting the 14 independent and self-governing states of the Pacific Islands Forum besides Australia and New Zealand have diverse, complex and stubborn causes.

Eighteen months after AusAID's demise, and almost a year into Foreign Minister Julie Bishop's 'new aid paradigm', which seeks to reduce poverty by harnessing economic growth, public interest in how to advance peace and prosperity in nearby countries has faded. Even Australia's biggest ever aid cut of nearly a third (including 20% in the year to come) created little stir when announced before Christmas.

Yet we'll continue to spend \$4 billion a year—more than an eighth of the massive Defence budget—fighting poverty and the nexus between underdevelopment, insecurity and instability. And we'll do so at a time when the myriad development challenges facing some of our neighbours are growing.

This paper explores contemporary official and scholarly thinking on aid, development, conflict prevention and strategic shaping to try to identify promising avenues to promote regional growth and stability in a tight budget environment.

While elaborate, highly centralised strategies have much to offer, more straightforward initiatives across the standard ‘three-Ds’ of development, diplomacy, and defence and security would better suit our circumstances. In particular, there are strong security cases for better labour mobility, regionalism, economic integration, policy coordination and security engagement.

Our stake in a successful neighbourhood continues

According to some, the decision to commission Australia’s third Defence White Paper in just six years points to uncertainty about how to match potential military tasks with finite resources, given the shifting balance of power in Northeast Asia and the return of hard power in Europe and the Middle East. As officials finalise the white paper, commentators argue for and against investing more to protect our distant interests. That exchange between globalists and regionalists echoes earlier debates between expeditionary and continental schools of strategic thought that predated Federation.

Our current ‘defence of Australia plus’ posture reflects an event-driven incremental broadening, over the course of the 2000, 2009 and 2013 white papers, of the focus we’ve had on self-reliantly controlling the sea–air gap since the rejection of the doctrine of forward defence after the Vietnam War.¹ The Abbott Government’s inclinations, international experience and spending plans all point to the next white paper discarding the 2013 edition’s stipulation that we only buy military equipment needed to prevent attacks against Australia or to contribute to security in our immediate region. A strategic shift towards the sort of direct emphasis, not seen since forward defence, on preparing the ADF to operate in distant US-led coalitions appears likely.

Alan Dupont suggests that the focus on our immediate region in Australia’s declaratory strategic policy is, in any case, past its use-by date.² He notes that only a third of recent ADF deployments have been in our neighbourhood. However, while the importance of proximity can be overstated in a globalised world, our responses to trouble close to home will be less discretionary than the sorts of missions to Namibia, Somalia and Western Sahara that he mentions. And although ‘no amount of street violence in Dili has the potential to ruin Australia’s day’ as much as real trouble in the Middle East,³ expectations that we’ll help to address the latter in a way commensurate with our interests, values and capabilities leave much choice about how we’ll contribute. We may play a proportionate role in the Middle East for decades to come, but the Army is doing its bit by training Iraqi and Afghan soldiers. A self-contained contribution there might be advantageous but isn’t strictly necessary.

In contrast, we could suddenly face challenging scenarios closer to home—say, a service-protected evacuation of thousands of nationals in the face of civil violence where docks and runways aren’t initially available—with crucial moral, but limited practical, support from partners. We’d require sufficient forces, airlift and sealift capabilities and regional cooperation to meet contingencies that, in the language of risk, are both relatively likely and consequential—or, in language of diggers, could be bloody hard.

Indeed, Rory Medcalf wonders whether the possibility that future crises could overwhelm our ability to respond might force us to reassess whether we can remain the security provider of last resort for ‘a troubled neighbourhood’.⁴ That question may gain significance as the population of Papua New Guinea (PNG) climbs towards 15 million in 2030 and up to 30 million by 2050.⁵ Scholars have also warned that we mustn’t conflate our neighbours’ strategic interests with our own. However, we’ll retain a strong interest in stability close to home and considerable capacity to promote it and to respond to regional contingencies. As John Howard and Alexander Downer concluded in finally deciding, against official advice, to rescue Solomon Islands in 2003, there’s no exit strategy from our own region: a failed state on our doorstep will jeopardise our own security, so it’s worth paying some premium for regional leadership.⁶ We won’t have the option of ignoring potential disorder nearby even if the next defence strategy focuses more on distant roles, as it would be hard to be more active further afield if we’re facing disorder in our near approaches. However, the potential severity of future crises does demand that we be smarter about trying to prevent them.

Australia’s desire for a successful Oceania rests on a range of historical and personal bonds, major trade and investment links, and humanitarian and consular concerns. So, while order and cohesion in neighbouring states matters—especially in the larger,

nearby, populous and sometimes volatile Melanesian countries—varying degrees of state fragility, low growth and poverty affecting most Polynesian and Micronesian countries also arouse domestic and international expectations that we'll lend a hand. Such concerns are probably clearest in community responses following events such as Cyclone Pam in Vanuatu. But, even in the security realm, our intervention in East Timor arose as much from public clamour to 'do something' and our national self-image as a regional leader as from any dry weighing of strategic considerations, such as preserving relations with Indonesia. At least for now, public satisfaction with recent regional stabilisation operations and our capability has created what Graeme Dobell calls a de facto regional security guarantee.

At the geostrategic level, Oceania is on the outer perimeter of China's 'second island chain'—the maritime defensive zone it would try to deny and perhaps control during a major conflict (Figure 1). Beijing's ability to project power beyond the chain into the South Pacific during peacetime is growing, as is its commercial and diplomatic presence. China needn't try or even want to supersede our influence for its rising clout to complicate our interests. While it shows no sign of seeking to establish a substantial military presence, strategists often worry less about *intent* than *capability*. And scenarios that seemed far-fetched a few years ago, such as the People's Liberation Army evacuating Chinese nationals if they're targeted during civil strife, are now technically feasible—raising questions about what we'd do if, say, a friendly country in crisis sought help to prevent a military-led evacuation it wasn't comfortable with. Meanwhile, US expectations that capable security partners such as Australia will carry more of the alliance burden in their own regions continue to rise.⁷ Other powers are also diplomatically and economically interested in a region that, in the Asian century, is no longer so far from the world's economic powerhouses—making it more 'congested', if not contested.⁸ Australia's interests could thus be engaged by instability well short of state failure or acute crises in the Pacific islands.

Figure 1: Oceania in its broader geostrategic setting



There's healthy economic growth in a few nearby states, but it's off a low base, unevenly distributed, and hampered by distance from global markets. Most struggle to meet their Millennium Development Goals or are going backwards. Intractable cross-cutting challenges—such as population pressure, environmental degradation, rapid social change and maladministration—have varying potential to trigger violence and disorder in a diverse region.

Socioeconomic change continues apace in PNG, which has 70% of the region's 10 million or so inhabitants and some clear law-and-order challenges. Rapid urbanisation, a demographic 'youth bulge' and rising inequality there reflect welcome development but come with serious downsides. PNG's reputation for violence and corruption imposes high transaction and enforcement costs, prevents the private sector from operating to its potential, and reinforces an unemployment–crime cycle that harms individuals and the nation as a whole.

Although there's no indication that another major civil–military intervention is just around the corner, the need for some previous missions of that type emerged quickly and without much warning. A growing body of reflections on what worked well and not so well during recent stabilisation missions offers lessons for future state-building.⁹ That's useful, since such interventions can be highly demanding. But efforts to address regional challenges *before* they turn into acute crises have received less attention, perhaps because they're not dramatic or straightforward. That's a pity, because major interventions are costly, risky and protracted and can spur dependency in the nation on the receiving end.

Elaborate approaches to conflict prevention offer the wrong answers to the right questions

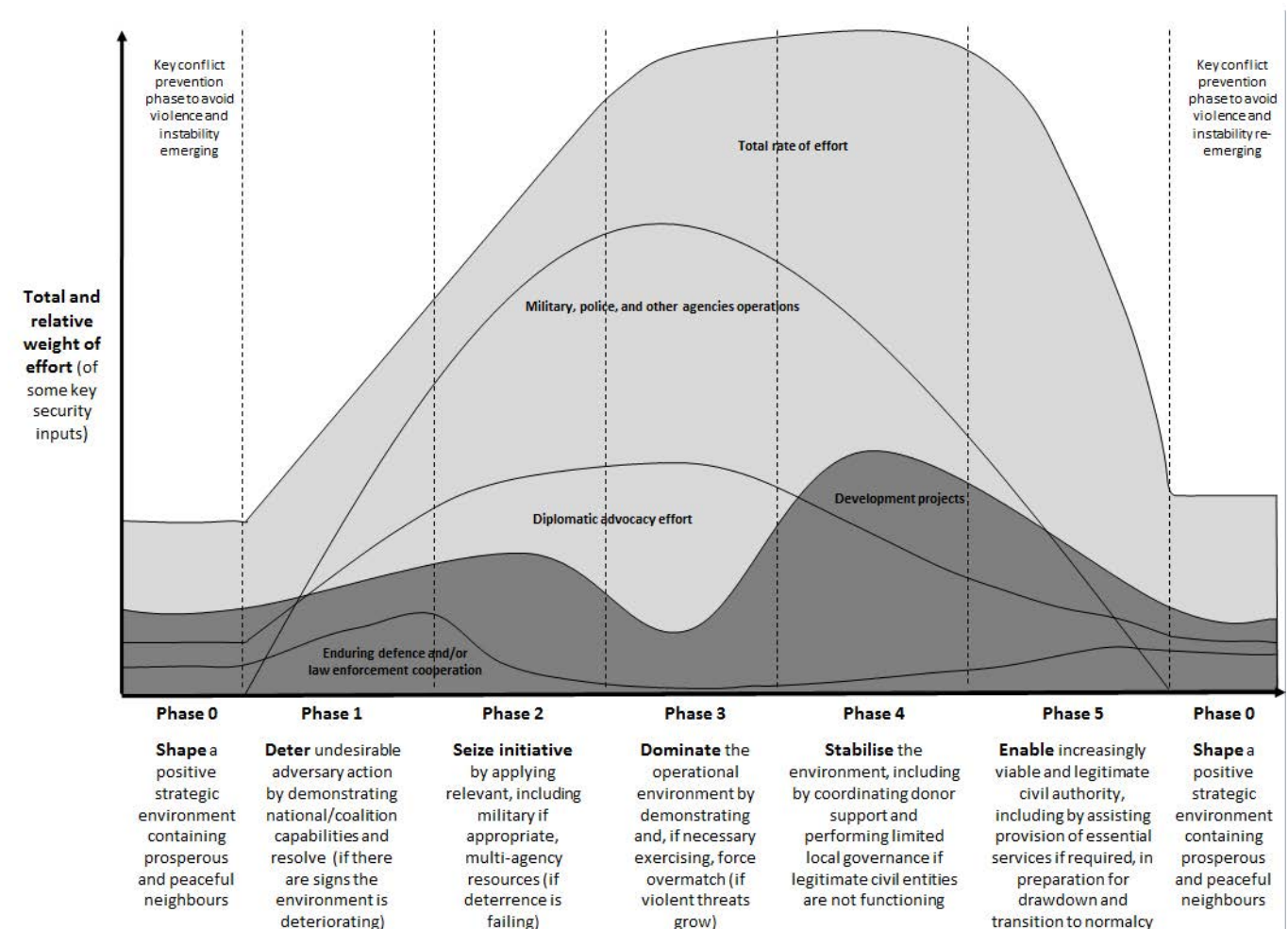
Working assumptions about trying to forestall regional conflict draw in part on post-Cold War conceptions of *human security*, in which freedom from want and freedom from fear are closely connected. Thus, individuals' wellbeing can determine whether whole societies are peaceful or unstable. That idea was taken further in the post-9/11 notion of a 'security–development nexus', which emphasises that unmet human needs are inextricably linked to the insecurity of states in a globalising world that still contains large pockets of suffering. Since grievances provide a fertile breeding ground for violence, absolute or relative deprivation can lock developing countries into a predicament in which there can be 'no development without security and no security without development'.¹⁰ Because the resulting disorder is liable to spill over national boundaries, well-targeted assistance to less fortunate neighbours is a matter of enlightened self-interest.

While some experts worry that linking underdevelopment to insecurity is conceptually imprecise, or can spur unrealistic aid investments, the link recognises the overlap between poverty, conflict, fragility and crises, reflects how hard it is to improve poor peoples' lives where instability is rife, and recognises fear of violence as an especially insidious form of poverty. More problematically, those who'd seek to harness all of a country's instruments of national power to stop serious friction arising in the first place need to consider an enormous range of potentially relevant factors that can quickly overwhelm decision-making and administrative frameworks. Although preventing conflict may ultimately be less costly and risky than reacting to it, trying to do so could make even difficult stabilisation missions look comparatively straightforward. The earlier one wants to address potential problems to prevent them metastasising, the more factors one must consider. But which of a vast range of challenges that could lead to violence should we try to fix? For example, recently declassified cabinet documents didn't name Bougainville among PNG provinces considered vulnerable to secession just months before the conflict there began in 1988.

As a result, those scholars and practitioners who've grappled with ideas about conflict prevention to try to avoid military intervention have tended to respond to complexity with complexity. True, agencies that would pull together well if directed to make a coordinated response to an emergency are sometimes at cross-purposes tackling problems short of crises—creating results that may be less than the sum of their expensive parts. But intricate, highly centralised schemes to better align our overseas policy levers and relationships, such as phase zero, grand strategic, or 'expansivist' national security frameworks, seem poorly suited to our strategic circumstances and traditions.

The most sophisticated such framework is the US military concept of *phase zero planning*. Its Australian proponents argue that Canberra should adopt a more deliberate approach to aligning key aid, trade, diplomatic, military and other shaping tools to help keep the region in stable peacetime conditions or, failing that, to return it to a better quality of peace than existed before.¹¹

Figure 2: Phase zero operations for Australia—schematic representation of aid and other lines of operation through different stages of a campaign



Source: Peter Jennings, Anthony Bergin, Karl Claxton, *Submission to the Senate Aid Inquiry*, February 2014, p. 5.

But it's far from clear that a model useful for a global power, whose unified combatant commands help to integrate military, aid and diplomatic efforts in every region of the world, is appropriate for an internationally activist but essentially regional power such as Australia. Although it advocates using whole-of-government levers to prevent violence erupting, at its heart the model offers a campaign approach to preparing for and if necessary prevailing in conflict, and that could securitise matters best left unsecuritised in a mostly peaceful region such as Oceania. Australian governments have preferred to coordinate agencies, including in the national security community, much more loosely during the peacetime conditions that characterise phase zero than they might to ensure policy coherence during a crisis. While the Abbott government has pursued a multi-agency approach to preventing the arrival of unauthorised maritime arrivals in Operation Sovereign Borders and is merging Customs and the Immigration Department, it has wound back a 'comprehensive but artificially seamless' phase of national security policy that was briefly

centralised in the office of the National Security Adviser.¹² If any agency's going to coordinate a joined-up approach to the region, it should probably be DFAT rather than the Department of the Prime Minister and Cabinet, let alone Defence's military planners—but that's unlikely, given DFAT's 'suspicion of prioritisation and strategic planning'.¹³

So, if Oceania's prospects are at once so promising and so fragile, our stake in a successful neighbourhood is high, and elaborate approaches to helping are problematic, how might Australia best assist the region to soar rather than stumble?

The Organisation for Economic Co-operation and Development has called for would-be peace-builders and conflict preventers to 'keep it simple'.¹⁴ We can start by analysing trends, opportunities and risks relating to the 'three Ds'¹⁵ of Australia's approaches to the South Pacific: development, diplomacy, and defence and security.

Development assistance

One of Prime Minister Abbott's first acts after he took office in September 2013 was to announce that, along with some other administrative changes, the agency known since 1995 as AusAID would be reintegrated into DFAT. The aid organisation had been an autonomous agency within the foreign affairs portfolio from 1973, and became an even more independent executive agency in 2010. Although the Coalition's pre-election foreign affairs policy had indicated dissatisfaction with the priorities and governance of Australia's official development assistance (ODA), and then-Opposition frontbenchers had signalled that a shake-up was likely, few observers expected such a quick or comprehensive re-amalgamation.

In announcing the change, Abbott pointed to a need to more closely align the aid and diplomatic arms of Australia's international policy. Foreign Minister Julie Bishop has made the better coordination of our aid, trade and foreign policies and programs a centrepiece of her approach to promoting regional peace and prosperity. She believes that reducing poverty and advancing Australia's interests via a more flexible and responsive aid program aren't incompatible but overlap significantly, since we all 'depend on a safe, secure, and prosperous region'.¹⁶ While the security dimensions of aid include stabilising fragile states and security sector reform, for example, reducing deprivation and inequality as potential sparks for violence can deliver strategic benefits too.

Although it was tempting to dismiss claims that Bishop's 'new aid paradigm' would mark a fresh approach to ODA as pre-launch puff ahead of its arrival last June—and many fundamentals of aid delivery certainly remain¹⁷—the policy departs from previous frameworks in its emphasis on private enterprise's potential to generate the means (and eventually equity) for stability and growth. That focus reflects change and continuity in the development landscape. Aid now comprises only 13% of the finance flowing to developing countries (it's been eclipsed by trade, investment and remittances), while poverty has been halved since 1990 and most of the world's poor live in middle-income countries with prospects of growth. Yet more than a billion people still endure appalling conditions, and many in our region face hardship if not extreme poverty.

The new paradigm seeks to harness the power of broad-based growth to pull people out of need and create virtuous cycles of new economic activity, additional jobs, adherence to the rule of law, growing tax bases, better governance and sustainable communities. It focuses on the contributions that can be made by research, innovation, accepting and managing a degree of risk, and benchmarks, and prioritises countries whose wellbeing could affect our own interests. It also stresses trade, investment and other partnerships rather than donor-recipient relationships.

But what the new paradigm amply possesses in vision it probably lacks in resources. A bipartisan consensus from the late Howard to first Rudd governments to increase foreign aid to 0.5% of gross national income by 2015–16, already faltering by 2012 as a Labor Treasurer grappled for an elusive surplus, appears to be over. Initial cuts of around 10% in real terms by the Coalition, equal to those of the early Howard era, occurred off a base that had more than doubled, so they could still be regarded as stabilising an aid budget that might soon resume its rise. But the coming billion-dollar single-year cut announced just before Christmas 2014 (to little public outcry and some applause) seems to have ended that possibility for now—and, with it, the chance to be truly transformative.

While the remaining \$4 billion will still comprise a substantial and well-targeted program, including around 15% as aid-for-trade, the modest initial investment of less than 1% of the aid budget in trial projects by DFAT's new innovation hub points to the difficulty of new approaches when total funding is about to drop by 20%.¹⁸ Preventing poverty is better than alleviating it, but the immutable economic geography of the region will remain, no matter how much we might wish it otherwise: even relatively well-governed Polynesian neighbours have small-scale economies and are isolated from international markets, while less well-governed neighbours continue to need help to deliver vital health, education and other services. So our aid program may tread water for a while. Raiding the aid budget again mightn't have been the best way to help 'fund critical national security to keep Australians safe'¹⁹ where our humanitarian and strategic interests are so closely connected.



Passengers arriving in Vanuatu. In July 2013, AusAID announced that it had signed an agreement with cruise company Carnival to boost tourism in the Pacific. Photo courtesy of DFAT.

If pricier innovative schemes aren't viable for now, could we employ 'beyond aid' initiatives that would be relatively inexpensive but have high impact? Because remittances of modest individual earnings from even limited numbers of people working overseas can have great cumulative effects on recipient communities in developing countries, enhancing regional labour mobility is one of the best ways to help others help themselves. It could be politically challenging, as it would involve immigration, trade, tourism, social and other complex and contentious areas of public policy. But, as advocates of the small but evolving Seasonal Workers Program argue, Pacific employees would be taking positions Australians simply don't want, and it's incongruous that a non-discriminatory immigration stance intended to bury the White Australia policy can't make some room for affirmative action to help our neighbours.²⁰

We could even consider a variant of New Zealand's Pacific Access Category migration scheme to really boost smaller island economies, help prepare for climate change, and 'put more Pacific people in our Pacific policy'—thereby demonstrating our regional leadership credentials and enhancing our influence.²¹

Diplomacy

Those credentials could arguably do with some burnishing. In 2011, Anthony Bergin and Richard Herr warned that Australia's standing in Pacific regional affairs was eroding fast. The sort of collective decision-making and diplomacy that had served

South Pacific—and our—interests well for decades was being harmed by the bitter intra-regional dispute with Fiji; the growth of sub-regional bodies such as the Melanesian Spearhead; faltering support for our lead on specific initiatives; frustration with the stalled 2005 Pacific Plan for regional integration; the rising influence of non-traditional partners (especially via alternative development models and funding options offered by China); and Pacific island countries choosing to caucus in UN bodies that excluded us.²²

Optimists might have imagined that things were looking up after island leaders endorsed the new Framework for Pacific Regionalism as the successor to the Pacific Plan last July,²³ Fiji held a free and fair election in September, and the formidable former diplomat and World Bank official Dame Meg Taylor took the helm of the region's foremost political body, the South Pacific Forum, in November.

However, a fresh warning by another leading Pacific scholar that many neighbouring countries besides Fiji remain deeply dissatisfied with the current regional architecture (and our place in it) is a worry. Greg Fry argues that Suva's return to the Pacific Islands Forum and the revival of Pacific regionalism are far from assured.²⁴

He traces the establishment of the forum in 1971 to Pacific leaders' struggle to gain control of the technocratic South Pacific Commission from Australia, France, New Zealand, the UK and the US, and suggests that Canberra and Wellington need to recapture the spirit and formula through which we initially cemented our place in an organisation that some intended to exclude former colonial powers. Specifically, we should embrace a 'patchwork architecture' of complementary rather than competing regional organisations; work with neighbours to weave greater coherence and efficiency into such a system, based on a reformed forum; give islanders more space to 'chart their own course' by stepping back from dominant roles; update forum funding models to promote a greater sense of ownership; and encourage island leaders to step up to more vigorous political debate.

The existence of multiple regional bodies clearly has advantages as well as drawbacks for dealing with thorny issues, such as West Papua. And Greg's right to remind us that Australia will have to prove it's a leader that listens if we want to revive the forum as the best basis for revitalised regionalism, given our different scale and outlook—our economy's almost 100 times larger than PNG's and 400 times Fiji's,²⁵ and we have distinctive positions on important issues such as climate change. But it's precisely those factors that could make 'recapturing the spirit of 1971' unfeasible.

Suva appears to have moved beyond a 'Pacific Way' doctrine that arguably owed more to the hierarchical, elite-driven and conservative Polynesian side of its character than the highly competitive, personalised and fragmentary rough-and-tumble of its Melanesian side. For our part, we now emphasise economic cooperation in partnership with near neighbours, rather than donor-recipient relationships or the grating tough-love language of the 2003–07 'more interventionist approach'. However, in an era when our diplomats are told to use aid to advance our national interest as a matter of policy, it's hard to imagine providing the sort of hands-off support we might have given 45 years ago. Among other neighbours, there's probably a sense that we're so attuned to Fijian sensitivities that we've developed a tin ear for wider feelings. There was weak support for, and some strong opposition to, the now indefinitely postponed summit that Canberra and Suva proposed to discuss regional architecture.²⁶ After all, the new Framework for Pacific Regionalism focuses on precisely the issue of island leaders' ownership of Pacific regionalism.²⁷ Suva has also offended many of its usual allies over a range of issues, to the point that it's probably more isolated than Canberra.

It would be a mistake to look at this impasse with any satisfaction or as a signal to resume business as usual. Prime Minister Bainimarama is unlikely to turn up at the next Pacific Islands Forum leaders' meeting in Port Moresby without some form of healing first. And, although the friction between forum members can be overstated, a forum without Fiji looks like ASEAN would without Thailand.²⁸ One potential circuit-breaker would be for PNG Prime Minister O'Neill to invite Bainimarama to co-chair a special session in Port Moresby on the future of regional infrastructure to clear the air, let parties reconcile, and agree on who needs to step forward or back a bit.

If the rivalry between Port Moresby and Suva makes summitry unworkable, perhaps we need to look to practical ways to revive habits of close cooperation. One promising avenue might be the 'multi-course' buffet approach that Dobell recommends, in which

each country can move towards an eventual single economic market at its own pace, rather than trying to reach the ‘one-size-fits-all banquet’ of PACER Plus together. The Pacific states have had duty-free and quota-free access to the Anzac markets since 1981 under the South Pacific Regional Trade and Economic Co-operation Agreement, but a range of other measures would make further integration worthwhile, such as a joint aviation market, rules of origin, a single economic market, banking supervision, quarantine and eventually labour mobility.²⁹



Australian and Papua New Guinean ministers, officials and business and community leaders in Port Moresby December 2014 during the 23rd annual ministerial forum. Photo courtesy of DFAT.

Of course, our Pacific diplomacy is also at least as much about bilateral ties as regional cooperation. Here, we need to make full use of AusAID’s reintegration into DFAT to agree on strategic direction, prioritise and collaborate in a deliberately loose multi-agency environment full of distracting events. Most overseas posts demonstrate a ‘Team Australia’ approach, given their relative intimacy, levels of engagement and clear lines of authority, but are mainly busy managing pressing day-to-day tasks. And whole-of-government consideration of important challenges well before they reach crisis point may be even harder in Canberra, despite the analytical resources available there.

All agencies probably need to lift their games individually and collectively to identify slow-burning big issues and cross-cutting challenges. As an example argued elsewhere, our aid to help preserve peace on Bougainville was, until recently, above the region’s share compared to other provinces but far below what our interests warranted. We might need to step it up again as the independence referendum approaches after Autonomous Government elections in May, given continuing signs that a majority of Bougainvilleans could vote for independence but that Port Moresby could exercise its veto of that outcome under the peace agreement. Some form of Cook Islands-style independence in free association that provides full statehood but with enduring support from and formal links to PNG might just give the parties what they need.

An even greater proportion of aid spending in PNG than the current nearly 12% should be invested in law and justice, given the impact of crime on all other areas of development. We must be alert to long-term *opportunities*, too, such as the chance to add more value by processing the region’s fisheries products, consistent with an economic diplomacy outlook. Micronesia’s potential strategic value to Australia is probably currently under-appreciated, for example.

Although only so many cabinet submissions, strategic reviews and interdepartmental committees are possible, close coordination can only become more important.

Defence and security

Whatever the focus of Australia’s next Defence White Paper, there will be value in preserving efforts currently occurring under the 2013 edition to deepen our regional defence engagement and security enmeshment with Pacific states. Retaining the concept

of a primary operational environment (POE) in the white paper would help underline that, and reflect that although we may increasingly need to acquire military hardware for tasks beyond just directly protecting the continent and regional contingencies, our forces will still require the equipment to lead potentially difficult missions where they're most likely to have to work. If capability planners assess we require heavy combat vehicles able to survive in increasingly lethal, complex and networked threat environments inside or outside the POE, whether in Asia or the Middle East, that mustn't come at the expense of vehicles light and agile enough to provide protection without plunging through the rundown bridges or wharfs of nearby states, for example.

Continuing to develop our defence cooperation relationships would build on measures such as the government's recent decision to fund a more networked Pacific Maritime Security Program designed to replace the Pacific class patrol boat fleet, which will preserve the ADF's strategic presence, familiarity and welcome across Oceania and help partner countries to police a vast area that we'd otherwise have to patrol ourselves. Making greater use of the regional exercise framework agreed in 2013 (including by recommencing substantive military training with post-elections Fiji at a pace that Suva's comfortable with, and possibly helping to establish the peacekeeping and disaster-response centre it wants to build near Nadi) would provide scope to develop capabilities and interoperability for possible future regional stabilisation missions, and prepare the ADF to operate in the region if required. The arrival of the Navy's Canberra class amphibious ships will also offer new opportunities to work closely with regional security forces, including Fiji's, in ways that can be as 'soft' or 'hard' as partner governments want—ranging from crucial disaster response to higher end military operations.

The region's militaries and police forces face varying challenges with discipline and professionalism. It remains in our interest to ensure that they're assets rather than liabilities for their governments, and capable regional partners for the ADF, as they were in the Regional Assistance Mission to Solomon Islands (RAMSI).



Lieutenant Commander Semisi Tapueluelu on the deck of TDS *Voea Neiafu*. Tonga and Solomon Islands each sent a Pacific class patrol boat to deliver humanitarian aid to isolated residents across the Vanuatu archipelago after Cyclone Pam. Photo courtesy of Department of Defence.

Finally, the Australian Federal Police should maintain a commitment to Pacific policing, beyond its substantial partnership with the Royal PNG Constabulary. The force's International Deployment Group has around 400 members deployed to UN missions in South Sudan and Cyprus and international missions in PNG, Timor-Leste, Solomon Islands, Nauru, Vanuatu, Samoa and Tonga, plus a rapid-reaction Specialist Response Group. That might appear to be an expensive capability, with no stabilisation mission obviously or immediately on the horizon and as RAMSI's policing component prepares to transition. However, it will continue to be a sound investment, given the unique skills it brings to conflict prevention and crisis tasks and the importance of law-and-order challenges among regional security concerns. (Indeed, leaders at the forthcoming South Pacific Defence Ministers' Meeting could consider inviting relevant police counterparts to future meetings, given the crossover between military and key non-military security challenges, such as maritime smuggling, and the absence of defence forces in many island countries.) An Australia that pays for seven regular infantry battalions to protect its vital national interests should continue to invest in a single, substantial, immediately deployable police unit.

Notes

- 1 Peter Jennings, 'The politics of Defence White Papers', *Security Challenges*, 2013, 9(2): 1–14.
- 2 Alan Dupont, *Full spectrum defence*, Lowy Institute, 13 March 2015, p. 4.
- 3 Peter Jennings et al., *Are we a top 20 nation or a middle power?*, Strategic Insight, ASPI, December 2014, p. 8.
- 4 Rory Medcalf, 'Towards a new Australian security', speech to ANU's National Security College, Canberra, 17 March 2015.
- 5 Glenn Banks et al., *National Human Development Report—PNG*, UN Development Programme, Port Moresby, 2014; Isaac Nicholas, 'National population policy launched in PNG Parliament', *Post Courier*, 19 February 2015.
- 6 They declared they were acting 'with a spirit of state-building until the job was done, without any exit timetable'—John Braithwaite, Sinclair Dinnen, Matthew Allen, Valerie Braithwaite, and Hilary Charlesworth, *Pillars and Shadows—Statebuilding as Peacebuilding in Solomon Islands* (Canberra, ANU E Press, 2010). Also see John Howard, *Address to the Sydney Institute*, 1 July 2003.
- 7 US Government, *National Security Strategy*, February 2015.
- 8 Jenny Hayward-Jones, *Australia—the indispensable power in a congested sea*, Lowy Institute, 26 February 2013.
- 9 For example, John Braithwaite, Hilary Charlesworth, Peter Reddy, Leah Dunn, *Reconciliation and architectures of commitment—sequencing peace in Bougainville*, ANU E Press, Canberra, 2010; John Braithwaite, Sinclair Dinnen, Matthew Allen, Valerie Braithwaite, Hilary Charlesworth, *Pillars and shadows* op. cit.; John Braithwaite, 'Evaluating the Timor-Leste peace operation', *Journal of International Peacekeeping*, vol. 16.
- 10 Kofi Annan, 'In larger freedom—towards development, security and human rights for all', Report of the Secretary General, New York, 2005.
- 11 Andrew Smith, 'Phase zero planning for Australia', *The Strategist* 27 August 2013.
- 12 Michael L'Estrange, 'In a changing world, our security is vital', *The Australian*, 22 February 2014.
- 13 Australian Public Service Commission, *DFAT Capability Review*, June 2013, p. 10.
- 14 Organisation for Economic Co-operation and Development, 'Encouraging effective evaluation of conflict prevention', *Journal on Development*, 2007, 8(3):60.
- 15 Nathan Finney, 'Defence, diplomacy, and development as a modern American foreign policy', *Small Wars Journal*, September 2010; c.f. Ethan Kapstein, 'Do three Ds make an F?', *PRISM*, 2010, 1(3):21–26.
- 16 Julie Bishop, 'Address to ACFID chairs', 30 October 2013; 'The new aid paradigm', 18 June 2014.
- 17 Robin Davies, 'Reflections on the new aid paradigm' (parts 1–4), *DevPolicy*, 7 July 2014; Annmaree O'Keeffe, 'New paradigm or more of the same?', *Interpreter*, 19 June 2014.
- 18 Jonathan Pryke and Camilla Burkot, 'Up and running', *DevPolicy*, 27 March 2015.

- 19 The cut was announced in the MYEFO financial update on the same day as the Sydney siege and as RAAF jets struck ISIL targets—Ellen Whinnett, ‘Foreign aid in razor gang’s sights’, *Herald Sun*, 15 December 2014.
- 20 ‘Pacific labour mobility’ (series), *DevPolicy*.
- 21 Anthony Bergin, ‘Reader response: Pacific labour mobility’, *The Strategist*, 3 December 2014.
- 22 Richard Herr and Anthony Bergin, *Our near abroad: Australia and Pacific islands regionalism*, ASPI, 2011.
- 23 Pacific Islands Forum Secretariat, *Framework for Pacific Regionalism*, Suva, July 2014.
- 24 Greg Fry, ‘Recapturing the spirit of 1971: towards a new regional settlement in the Pacific islands’, March 2015.
- 25 Australia’s economy is 8 times larger than NZ’s; 93 times PNG’s; 241 times Timor-Leste’s; 370 times Fiji’s; 1,351 times Solomon Islands’; 3,108 times Tonga’s; and 39,014 times Tuvalu’s. It’s 12 times smaller than the US economy, a seventh of China’s economy and a third of Germany’s (IMF nominal GDP figures for 2014).
- 26 Tess Newton-Cain and Matthew Dornan, ‘Pacific regionalism ... it’s tricky’, *DevPolicy*, 26 February 2015.
- 27 Tess Newton-Cain, ‘Regionalism, sub-regionalism and women’s empowerment’, *DevPolicy*, 8 March 2015.
- 28 Graeme Dobell, ‘Pacific agony over Fiji folly’, *The Interpreter*, 4 February 2009.
- 29 Graeme Dobell, ‘Rethinking Australia’s economic role in the Pacific’, *The Strategist*, 1 December 2014.

Acronyms and abbreviations

ADF	Australian Defence Force
ASEAN	Association of Southeast Asian Nations
AusAID	Australian Agency for International Development
DFAT	Department of Foreign Affairs and Trade
ODA	official development assistance
PNG	Papua New Guinea
RAMSI	Regional Assistance Mission to Solomon Islands

Important disclaimer

This publication is designed to provide accurate and authoritative information in relation to the subject matter covered. It is provided with the understanding that the publisher is not engaged in rendering any form of professional or other advice or services. No person should rely on the contents of this publication without first obtaining advice from a qualified professional person.

About the author

Karl Claxton is a research analyst at ASPI. These are his personal views.

Acknowledgement

The author wishes to thank his ASPI colleagues, particularly Anthony Bergin and Graeme Dobell, for detailed discussion of many of the issues covered in this paper.

About Strategic Insights

Strategic Insights are shorter studies intended to provide expert perspectives on topical policy issues. They reflect the personal views of the author(s), and do not in any way express or reflect the views of the Australian Government or represent the formal position of ASPI on any particular issue.

ASPI

Tel +61 2 6270 5100

Fax + 61 2 6273 9566

Email enquiries@aspi.org.au

Web www.aspi.org.au

Blog www.aspistrategist.com.au



[Facebook.com/ASPI.org](https://www.facebook.com/ASPI.org)



[@ASPI_org](https://twitter.com/ASPI_org)

© **The Australian Strategic Policy Institute Limited 2015**

This publication is subject to copyright. Except as permitted under the *Copyright Act 1968*, no part of it may in any form or by any means (electronic, mechanical, microcopying, photocopying, recording or otherwise) be reproduced, stored in a retrieval system or transmitted without prior written permission. Enquiries should be addressed to the publishers.

Notwithstanding the above, Educational Institutions (including Schools, Independent Colleges, Universities, and TAFEs) are granted permission to make copies of copyrighted works strictly for educational purposes without explicit permission from ASPI and free of charge.