## Why a crisis in the Pacific islands matters for Washington and Beijing

February 16, 2021 Alexander B. Gray The Hill

Related Categories: Democracy and Governance; International Economics and Trade; China; Southeast Asia

Last week, five Pacific islands countries withdrew from the Pacific Islands Forum (PIF), the region's premier multilateral organization. Collectively comprising the sub-region of Micronesia, the countries of Palau, the Marshall Islands, the Federated States of Micronesia, Kiribati, and Nauru announced their intent to leave the PIF, citing the organization's failure to adequately represent the Micronesian states in the PIF's top leadership role.

While the decision of some of the world's smallest countries to leave a multilateral body few Americans have ever heard of generated — predictably — minimal attention in Washington, the withdrawal of the Micronesian states from the PIF will have a significant, and potentially lasting, impact on U.S. interests. It is also likely to strengthen China's influence in a region where Beijing is steadily increasing its economic and political sway.

Beijing sees the Pacific islands — often called the "Second Island Chain" — much as Imperial Japan did prior to the Second World War: as strategically significant providers of key natural resources. China's "One Belt, One Road" initiative has been particularly active in the Pacific islands, leaving far too many of the world's least developed countries with unsustainable debt, unusable or underperforming infrastructure projects, and a growing Chinese influence on their domestic politics. The recent Chinese effort to secure a switch in diplomatic recognition from Taiwan to China by Taiwan's handful of remaining regional allies is but one example of the latter.

Strategically, the "Second Island Chain" controls access to the open waters of the Central Pacific and the sea lanes to the Western Hemisphere. As a senior allied government official once noted to me, a map of Imperial Japan's Pacific islands bases in 1941 could almost perfectly overlay Beijing's areas of most intense economic and political activity today. Public reports have often speculated about China's interest in a permanent military presence in the "Second Island Chain"; if accurate, U.S. supply lines to its forward deployed forces in East Asia and the Western Pacific, not to mention significant global trade, would be placed at risk.

While views toward China and the U.S. and its allies Australia and New Zealand are as varied as the Pacific islands themselves, the five Micronesian states have traditionally been the most skeptical of Beijing and eager to work with Washington and its partners. Indeed, Palau, the Federated States of Micronesia, and the Marshall Islands are bound to the U.S. through Compacts of Free Association that ensure unrestricted access to their territory by the U.S. military in exchange for visa-free entry to the United States and American financial support.

Even as some Pacific islands, particularly in the South Pacific, have embraced China's growing influence, the Micronesian states have offered public rebukes. In recent weeks, Palau's new President condemned China's "bullying" and refusal to reign in rampant illegal fishing, which poses a grave threat to the regional economy and ecology. Palau, the Marshall Islands, and Nauru all recognize Taiwan, not China. And at the 2018 PIF, Nauru's then-President delivered a ferocious public criticism of Beijing's heavy-handedness.

Thus, Washington and its allies in Canberra and Wellington should watch the unfolding dismantlement of the PIF with grave concern. Not only does a diminished PIF mean a diminished voice for the Pacific islands on the world stage, it also means the central multilateral institution in this critical region will lose the very voices most skeptical of Beijing's malign activity and open to U.S. and allied leadership. A PIF without Micronesian voices is likely to be one far less interested in U.S. priorities and perspectives.

The Biden administration has an opportunity, working closely with Australia and New Zealand and other interested partners like Taiwan, Japan, and France, to signal America's unwavering support for a PIF that represents the voices of all Pacific islanders, including those from the Micronesian countries. The current crisis offers the opportunity for the U.S., which is a dialogue partner rather than a member of the PIF, to support reform efforts that would elevate the Micronesian states' policy priorities and concerns about PIF leadership to the fore.

Finally, the United States can reassure its friends in the Pacific islands that it intends to remain an active participant in the region's affairs by moving swiftly to extend and fully fund the Compacts of Free Association with the Federated States of Micronesia, the Marshall Islands, and Palau. These agreements are strategically vital, and a powerful symbol of American commitment to the Pacific islands.

The U.S. is a Pacific power; acting swiftly in response to the PIF crisis will reaffirm this truth, reassure allies and partners, deter competitors, and leave no doubt about Washington's commitment to its vision of a free, open, and prosperous Pacific.

Alexander B. Gray is a Senior Fellow in National Security Affairs at the American Foreign Policy Council. He served on the National Security Council (NSC) staff from 2018 to 2021, including as Director for Oceania & Indo-Pacific Security.

© 2025 - American Foreign Policy Council