

# POLICY BRIEF

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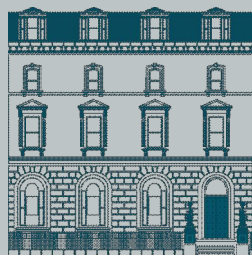
## POLICY OVERBOARD: AUSTRALIA'S INCREASINGLY COSTLY FIJI DRIFT

### WHAT IS THE PROBLEM?

*Australia's tough-love policy towards Fiji has failed to persuade the government of Voreqe Bainimarama to restore democracy to Fiji and may even be helping to entrench his regime. The Fiji government, resistant to external pressure, has instead developed new allegiances and partnerships which undermine Australia's influence. Australia's reputation as a major power in the South Pacific and as a creative middle power more broadly may be diminished by the Fiji government's continued intransigence. Over time the Fiji people's once-strong connections with Australia may dwindle and Australia's relevance to Fiji gradually diminish unless the Australian government takes decisive action now.*

### WHAT SHOULD BE DONE?

*Canberra needs to redefine its relationship with Fiji to focus more sharply on protecting Australia's long-term equities there and on supporting democracy rather than on increasingly hollow demands for early elections. The Australian government should build and lead a new coalition with traditional and non-traditional partners which works with Fiji to develop a package of assistance for electoral and constitutional reform. To support this effort, Australia should also offer a range of confidence-building measures to prepare the ground for Australia to assist Fiji's transition to democracy. The Foreign Minister should foster support for this new approach in the region and with other key international partners. In doing so one objective should be to put the onus for action back on the Fiji government, where it properly belongs.*



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**POLICY BRIEF**

**POLICY OVERBOARD**

**The current Australian approach**

Almost four and a half years after the December 2006 coup, Australian policy towards Fiji is virtually unchanged. Three Australian Prime Ministers have so far failed to persuade Voreqe Bainimarama to hold elections. Targeted travel sanctions imposed by the Howard government at the time of the coup remain in place. An arms embargo and suspension of defence cooperation prevail. Ministerial contact with the Fiji government is suspended. Diplomatic contacts are limited.

Australia champions the continued suspension of Fiji from the Pacific Islands Forum and from the Commonwealth – including through Australia’s membership of the Commonwealth Ministerial Action Group.<sup>1</sup> Australia has not resiled from its advocacy at the United Nations to prevent Fiji participating in new UN peacekeeping missions.

The Howard government’s response to the coup in Fiji in December 2006 was measured. From the traditional international options available in response to illegal overthrows of elected governments, Australia chose a relatively mild one. Canberra could have imposed an embargo on Fiji akin to that imposed by the United States on Cuba in 1960. It could have launched a military response to restore the elected government, imposed full economic and trade sanctions and sporting sanctions, frozen assets of Fiji citizens in Australia or penalised Australian businesses dealing with Fiji and Australian tourists travelling to Fiji. It chose none of these options, as it did not want to punish the people of Fiji (or Australian business) for an act not of their own making.

Canberra’s response to the coup – then and now – is designed to persuade the Fiji government to hold elections, protect the Fiji people and restore democracy to the country.

The rhetoric of the Australian government in condemning Fiji is generally stronger in tone than that it adopts in statements about many other undemocratic states because Fiji, unlike other non-democracies, is squarely within Australia’s sphere of influence. Australia is Fiji’s most important economic partner, the biggest investor in Fiji, second-biggest merchandise trading partner, the largest source of tourists and home to approximately 50,000 Fiji-born people. Its relative influence there gives Australia the capacity – at least in theory – to respond to Fiji differently from the way it approaches other authoritarian countries like China or North Korea.

**Prospects for change**

Not unreasonably, given the many objectionable aspects of Bainimarama’s rule, the prevailing view in Canberra has been that Australian policy should not be altered absent a significant gesture from the Fiji government.

A trilateral meeting between then Foreign Minister Stephen Smith, New Zealand Foreign Minister Murray McCully and Fiji Foreign Minister Ratu Inoke Kubuabola in February 2010 did not result in any significant changes in Fiji. Smith’s stated willingness to ‘have a dialogue’<sup>2</sup> was later rebuffed by Kubuabola during the Australian election campaign, when he inferred that Smith had not been ‘genuine’ about wanting to help Fiji.<sup>3</sup>

**POLICY BRIEF**

**POLICY OVERBOARD**

Australian Parliamentary Secretary for Pacific Island Affairs Richard Marles participated in the Pacific Islands Forum Ministerial Contact Group (MCG) on Fiji meeting in Vanuatu in February 2011. Ministers confirmed the Forum's interest in supporting Fiji's early return to parliamentary democracy and 'encouraged Fiji to engage Forum members in a detailed dialogue on the types of assistance required to enable it to move forward on its plans as quickly as possible' and the Fiji Foreign Minister said Fiji was willing to invite the MCG to visit Fiji in the near future.<sup>4</sup> This kind of exchange with Fiji was not new and has yet to translate from formulaic rhetoric into practical action in Suva.

The generally antagonistic rhetoric of the Fiji government— including most recently a strong statement from Fiji's Foreign Minister, Ratu Inoke Kubuabola, reiterating that elections would be held in 2014 and not before<sup>5</sup> – suggests there is little prospect of any significant gesture from Suva before 2014. The Fiji government is focused on implementing a series of economic reforms and it is not yet 'ready' for discussions about elections.

The Australian Government's proper commitment to democratic values, both in its rhetoric and in substance, constrains its options in respect of Fiji. Rudd has said Australia is 'not in the business of legitimising what has been a very ugly military coup.'<sup>6</sup>

Consistency is always an important consideration. Australia has an activist Foreign Minister in Kevin Rudd who has championed democratic movements in Egypt and Tunisia and who was prominent in calling for the no-fly zone in Libya to protect rebels there. It

would be understandable if Mr Rudd, having supported the democratic push in North Africa, were loathe to authorise any shift in Australian policy towards Fiji that might signal the democracy he thought so important in a region far from Australia did not matter as much for Fiji.

In a recent interview, Mr Rudd said there was 'often a tendency in parts of the region for the question to be put in terms of what should Australian and New Zealand diplomacy be doing', which bought into 'a Bainimarama assumption that the problem lies with the rest of us rather than with the Bainimarama regime.'<sup>7</sup>

The Foreign Minister is correct, and his frustration that others are held responsible for the present impasse is justified. Australia and New Zealand did not create the situation in Fiji. The problems now facing Fiji's economy, the lack of any concrete plans for a new constitution or a democratic future, the absence of freedom of speech, and reported rise in human rights abuses are all the work of Bainimarama and his unelected government.

Ultimately, however, Australia's reluctance to see the Fiji people suffer has strengthened Bainimarama's hand. In the absence of broader economic sanctions, Australian businesses which continue operating in Fiji in the face of some challenges and the 318,000 Australians who visited Fiji in 2010 (over 50 per cent of total visitor arrivals) have thrown Fiji a vital lifeline.<sup>8</sup>

Outside Fiji, frustration amongst people with an interest in the bilateral relationship is more readily vented on Canberra than on Suva. It is

**POLICY BRIEF**

**POLICY OVERBOARD**

relatively easy for Australian citizens with interests in Fiji to complain to officials in Canberra. The worst that can happen to them is that they will be ignored.

In Fiji – in an environment where critics of the government have been taken to military barracks for questioning or had their business examined by the government – attempting to lobby Bainimarama to adopt different policies is significantly riskier.

**The approach of other countries**

Australia’s policy of isolating Fiji only has a realistic chance of working when other countries cooperate to isolate Fiji. Prime Minister Julia Gillard made this point when she said: ‘It’s important to us, to the US, to the world generally, that we keep working together to maximise pressure on Fiji to give the Fijian people the appropriate opportunity to go out, exercise a vote and pick their government.’<sup>9</sup>

Most of Australia’s traditional partners supported the Australian government’s policy towards Fiji after the coup. But there are clear signs that this support is wavering and that the Australian government risks becoming isolated in its hard-line position on Fiji, even from some of its closest and most important diplomatic partners.

Kurt Campbell, **United States** Assistant Secretary of State for East Asian and Pacific Affairs, has recognised that the ‘entrenchment of authoritarian rule indifferent to criticism has become a dangerous model for the region and the global community.’<sup>10</sup> Campbell has promised the US would ‘step up its game’ in the

Pacific and, as part of that enhanced attention, indicated the US would

‘...seek more direct engagement with Prime Minister Bainimarama to encourage his government to take steps to restore democracy and freedom that would allow movement toward normalization of Fiji’s relations with other countries in the region. This engagement would spotlight the potential benefits of positive political steps, while reinforcing the message that any easing of U.S. sanctions is tied to the restoral of democratic processes.’<sup>11</sup>

**Japan** invited Fiji Foreign Minister Ratu Inoke Kubuabola to its first Pacific Islands Leaders Meeting (PALM) Ministerial Interim Meeting in October 2010. In a press release following a bilateral meeting of former Japanese Foreign Minister Seiji Maehara and Kubuabola, Maehara said that ‘Japan placed importance on continuous dialogue with Fiji and that Japan would like to continue to explain the importance of dialogue with Fiji to the international community’.<sup>12</sup>

**New Zealand’s** Foreign Minister Murray McCully has said:

‘...having got to where we’ve got to, we’ve now got to find a way out of it. That means that we do need to be prepared to engage and to try and find constructive solutions. I’ve been to Fiji I think three times last year, I keep reasonably engaged in those issues, and so hopefully one day when some opportunities do arise we’ll be able to take them’.<sup>13</sup>

**POLICY BRIEF**

**POLICY OVERBOARD**

Members of the Pacific Islands Forum, when they meet without Australia and New Zealand present, often declare support for Fiji. The most recent example was the support expressed for Fiji being included in regional dialogue by the PNG, Solomon Islands and Vanuatu representatives at the Melanesian Spearhead Group Leaders' Summit in Suva.<sup>14</sup> Many Pacific Island country governments deal with the Bainimarama government in the same way as they did the elected Qarase government. Bainimarama appears to have convinced many Pacific Island leaders that the Pacific or Melanesian tradition of respect for a 'brother' is more important than the democratic values that are an integral part of the Pacific Islands Forum's Pacific Plan and The Agreement Establishing the Melanesian Spearhead Group.

The Fiji government has embarked on a campaign to court new friends. It sought membership of the Non Aligned Movement and announced it would set up three new embassies – in Indonesia, Brazil and South Africa – in 2011.<sup>15</sup> Bainimarama has made claims for regional leadership by hosting an 'Engaging the Pacific' meeting in Fiji, attended by leaders and representatives from ten Pacific Island countries, prior to the Pacific Islands Forum meeting in July 2010 and through hosting and chairing the Melanesian Spearhead Group Leaders' Summit in March 2011.

The Melanesian Spearhead Group (MSG) lacks the capacity and resources to implement its own agenda. The weakness and unstable nature of the governments of Vanuatu and Solomon Islands, and Papua New Guinea's preoccupation with its domestic affairs and national elections in 2012, mean that these MSG members will be unlikely to be active in

pressing their 'brother' in Fiji to hold elections. Indeed Fiji, as MSG Chair, is likely to use its relative strength to dominate the Group over the next year, probably creating more difficulties for Australian diplomacy.

Indonesian President Susilo Bambang Yudhoyono hosted a visit by Bainimarama in early April 2011 during which Bainimarama opened the new Fiji embassy in Jakarta. Following their meeting, Yudhoyono expressed hope that Fiji would manage its transition towards elections through a home-grown process. In words that fed Bainimarama's resentment of external pressure, Yudhoyono reportedly noted that democracy was 'a process and not an event' and could not be 'created through external dictate. The Indonesian government has offered Fiji support through sharing its experience of transition to democracy and specific assistance to the Electoral Commission'.<sup>16</sup>

China has a noticeable presence in Fiji, to the extent that US Secretary of State Hillary Clinton has expressed concern that China was boosting ties with the 'dictatorial regime' in Fiji.<sup>17</sup> Lowy Institute research found that although China had gone ahead with its aid for the Nadarivatu hydro project, it has been slow to disburse other promised aid. Estimated cumulative soft loans to Fiji from 2005 to 2009 totalled US\$253.4 million but the majority of these were provided in 2007 and 2008.<sup>18</sup> It is likely that new Chinese-funded projects, including a low-cost housing project, are actually part of previously announced soft loans. Chinese companies have invested in hotels, roads infrastructure and fisheries projects. While China's interests in Fiji are minor compared to its interests in Australia,

**POLICY BRIEF**

**POLICY OVERBOARD**

they come at the expense of Australian influence as the Fiji government convinces itself it does not need Australia while it has a friend in China.

**Resistant to pressure**

The Fiji government has demonstrated itself to be resistant to pressure. Bainimarama has made clear that any engagement will be on his terms alone.

The European Union had the most significant carrot on offer, with its promise of some US\$305 million in assistance for sugar industry reform and related assistance if Fiji held elections.<sup>19</sup> Fiji refused and lost the EU funding offer.

The IMF held out another significant carrot, with negotiations under way for some time about refinancing of the Fiji government's \$150 million bond due in September this year. The Fiji government opted instead to raise funds on the managed bond market and succeeded in raising \$250 million in foreign bonds at an interest rate of 9 per cent. Although the issue was rated B- by Standard and Poor's, which makes it sub-investment grade, the Fiji government claimed its success demonstrated investor confidence in the country. The Fiji government's willingness to accept such a high interest rate when it could have obtained IMF financing for a significantly lower rate shows its resolve to resist traditional IMF conditions on assistance with economic reform.

**Failing diplomacy**

Australian diplomacy has failed its own test. Australia set itself the objective of applying sufficient pressure on the Fiji regime to force Bainimarama to hold elections. It has manifestly failed.

Without doubt, Fiji's actions have damaged its relationship with its most important partner – Australia. Bainimarama has underestimated Fiji's economic dependence on Australia. He expelled Australia's most experienced Pacific diplomat and his best avenue for dialogue with Canberra in High Commissioner James Batley in November 2009 and then expelled Acting High Commissioner Sarah Roberts in July 2010. His provocative diplomatic stunts have made it harder for Canberra to move.

Nor have Australia's public diplomacy efforts in Fiji been able to make up for the failings in its formal diplomatic dealings with Suva. The Public Emergency Regulation, media censorship and the Fiji government's effective communication measures mean the only voice in Fiji is that of Bainimarama's government. It is difficult for the Australian government to communicate its message effectively in this environment. While the premise of Canberra's approach is highly principled, sustained attack from the Fiji Government's public relations campaign has meant Australia's principles are not always clear to people in Fiji.

Australia's multilateral diplomacy – prosecuted in the Pacific Islands Forum, the Commonwealth and the United Nations – has also failed to persuade Bainimarama to restore democracy in Fiji. The decision of Pacific Islands Forum leaders to suspend Fiji in May



**POLICY BRIEF**

**POLICY OVERBOARD**

2009 and the Commonwealth's decision to suspend Fiji in September 2009 have had little impact on the Fiji government.

Australia's failure to encourage the Fiji government to hold elections reflects poorly on the reputation and diplomatic influence of a creative middle power seeking a temporary seat on the United Nations Security Council. Kevin Rudd's active diplomacy in support of democratic movements further afield cannot mask such a major failure of diplomacy in its own sphere of influence.

Aside from the damage to its international reputation and credentials for continued strong regional leadership, the Australian government risks becoming irrelevant to Fiji. Fortunately the same is not true of the Australian people. The number of Australian businesses operating in Fiji and the high numbers of Australians visiting Fiji make Australia not only relevant but vital for a country highly dependent on foreign investment and tourism. In this sense, Australian policy has become an irrelevant sideshow to the relationship between the two countries.

Bainimarama has promised elections in 2014. There is good reason to be sceptical about this commitment. Bainimarama has at various times said he did not trust the Fiji people,<sup>20</sup> threatened to postpone the 2014 election timetable<sup>21</sup> and warned the military would be 'guiding' an elected government after 2014.<sup>22</sup> But he has also reiterated his commitment to the 2014 timetable on many occasions.

Bainimarama has not yet declared his candidature in the 2014 elections. There are some signs, however, that he is preparing the

ground to do so. He has sought to eliminate or marginalise all potential sources of opposition. Bainimarama has suspended Fiji's once powerful Great Council of Chiefs and prevented the influential Methodist Church from holding its annual conference, the 'Bose Ko Viti', in 2009 and 2010, in an effort to de-politicise the Church. A number of politicians and other prominent individuals have been charged with a range of offences. If future electoral reform prevents people with a criminal record from standing for parliament, many of Bainimarama's opponents will not be candidates. Bainimarama has been more active in visiting communities across the country and in attempting to address their needs than previous leaders of Fiji. He has time to build his popularity and win an election.

By staking the bilateral relationship on a goal – the holding of elections before 2014 – and holding many other elements of the relationship hostage to that goal, Canberra has lost the initiative: it has no means of improving the relationship and therefore no means of influencing a transition to democracy in Fiji. Australia is also ill-prepared to deal with the possibility that Bainimarama will be the elected Prime Minister or elected President of Fiji in 2014. It may be more difficult to rebuild bilateral relations than to seek to improve them now.

In addition, the lack of regular high-level bilateral communication makes it harder for the Australian government to pursue Australian interests in Fiji in the same way as it does in other countries; that is, promote Australia's foreign and trade interests and protect the rights of Australian citizens abroad.



**POLICY BRIEF**

**POLICY OVERBOARD**

**A creative middle power**

In Kevin Rudd's speech to the National Press Club on Australia's Foreign Policy Interests in the Middle East, he said:

'...I believe creative middle powers are uniquely placed to bring together major, regional and smaller powers alike to inform and shape solutions. Their strength comes from the good offices they bring to bear on regional and global problems and the persuasiveness of their arguments and the coalitions they are capable of building, not the assertion of direct power.

A creative middle power recognises that we have to work in partnerships and coalitions to achieve change – including with non-traditional partners to establish better understanding of the issue at hand and to come up with better informed solutions.

...Australia always stands ready to propose new partnerships to tackle new problems, to tackle old problems in new ways.'<sup>23</sup>

The situation in Fiji represents an old problem for Australia. For understandable reasons, Australia has been unwilling to deploy military power or its full economic power in the form of comprehensive sanctions to remove the Bainimarama government. Neither the qualified assertion of Australia's direct power, nor its building of a regional coalition within the Pacific Islands Forum has succeeded in achieving change in Fiji. If Australia is to prove its credentials as a creative middle power and advance its candidature for a temporary seat on the UN Security Council in 2013-14, Kevin

Rudd needs to implement his own ideas and work with non-traditional partners to tackle the old problem of Fiji in new ways.

It is unrealistic in the current environment – and indeed undesirable – to expect the Australian government to set aside its commitment to seeing democracy restored to Fiji. But Australia could and should alter its policy to improve the bilateral relationship and create opportunities to assist Fiji's transition to democracy without departing from its core democratic values.

**What is to be done and how?**

Australia's public rhetoric on Fiji should shift from giving priority to early elections to the protection of Australia's long-term interests in Fiji and the Pacific Islands region. Fundamental to achieving this goal will be maintaining a connection and channels for dialogue with the people of Fiji, including through consistent strong support for democracy.

The key plank of this approach should be a new multi-donor initiative that offers assistance to Fiji for constitutional drafting and electoral reform. Two changes to Australia's existing approach should take place before this offer and other initiatives are announced.

***Confidence-building measures between officials***

It will be difficult to influence Fiji without more regular formal engagement between the two governments, so some confidence-building measures need to be commenced. This could take the form of Australian diplomats meeting

**POLICY BRIEF**

**POLICY OVERBOARD**

senior Fiji officials – in Suva and elsewhere – on a regular basis to start rebuilding relationships. Australia will have to take the lead.

*Soften travel restrictions*

Australia should wind back sanctions to apply only to Bainimarama, members of his cabinet, the Military Council and high-ranking military officers.

The policy as currently applied<sup>24</sup> affects the family of members of the regime or ranking military and professional people who take jobs with the Fiji government out of a desire to make a living or make a contribution to prevent further economic decline in Fiji. In many cases they are good friends of Australia. They do not deserve to be excluded from Australia, and Canberra cannot afford to alienate these people and see them lose their valuable connections with Australia over the long term.

A change to sanctions policy would probably be seized on by Bainimarama as a victory, with no reform offered by him in return. But this is a manageable risk. The Australian government could argue that it has fine-tuned the sanctions regime to avoid inadvertently catching up supporters of democracy and good governance in Fiji in a policy designed to put pressure on the perpetrators of the 2006 coup. This decision would remove one of the irritants that Bainimarama uses to criticise Australia in the eyes of Fiji's citizens and clear a path for a more effective approach. It would also address one of the key concerns of Australian business that the travel restrictions prevent qualified professionals from taking up government positions.

If the Bainimarama government does not respond positively, Canberra could use its gesture to highlight Bainimarama's intransigence and consider imposing different and more targeted sanctions on key members of the regime. The Autonomous Sanctions Act 2010 gives the Australian government greater flexibility to apply targeted pressure on regimes while minimising the impact on the people they govern.

*An Australian-led coalition to offer assistance for constitutional drafting and elections*

The Australian government, along with other donors, has advised Fiji in the past that it is prepared to make financial assistance available for the Fiji Electoral Commission to conduct elections. While that offer has never been formally taken off the table, it is unlikely it is discussed regularly in Fiji government circles. The Pacific Islands Forum's offer to provide assistance for an early return to parliamentary democracy is similarly not high on Fiji's agenda.

The Australian government should acknowledge that the Fiji government has promised a new constitution by 2013 and elections in 2014 (even if Canberra does not believe Fiji's promise), and publicly announce it is prepared to offer a new package of assistance with drafting a new constitution and assistance with exploring options for adopting a new electoral system. While Fiji wants to implement 'home-grown' electoral reform, it lacks the resources to do so and is likely to need assistance for any significant reform.

Given previous assistance (both bilateral and through the Pacific Islands Forum) for elections has not been accepted, Australia will need to be

**POLICY BRIEF**

**POLICY OVERBOARD**

smarter about a new offer. Australia should build a coalition of partners willing to offer financial and in-kind assistance for constitutional drafting and electoral reform consistent with Fiji's stated timetable. These partners should include traditional partners like New Zealand, the United States, the European Union and Japan; and non-traditional partners like India, Indonesia, Malaysia, South Korea and Papua New Guinea. The latter group comprises countries Fiji has been courting in its search for alternative partners but all also have either long experience with democracy or experience with transitions to democracy so are well placed to provide constructive advice to Fiji.

Australia should lead the funding of the initiative but ensure that all of its partners are willing to play a role in lobbying the Fiji government to accept the offer – both privately and publicly. The initiative could in the first instance take the form of a team of constitutional and electoral reform experts from amongst the coalition working with the Fiji government to determine the type and extent of technical assistance that Fiji requires. The package of assistance ultimately provided should canvas a wide variety of options for democratic constitutional and electoral reform, not limited to the Westminster system. The package should also include assistance for security sector reform, perhaps led by Indonesia, as Fiji transitions to democracy.

Australian diplomats should build the coalition through simultaneous lobbying in capitals and amongst the permanent representatives of its desired partners at the United Nations in New York. Assuming the coalition can be put together, the group should initiate discussions

with Fiji's Permanent Representative to the United Nations, Peter Thomson, to convey the offer of assistance to Suva. Australia, as leader of the coalition, should also seek the most appropriate avenue in Suva to confirm the offer, along with representatives from its coalition partners.

Once the offer has been communicated, Australia should make it clear that if Fiji is prepared to accept it, Australia will introduce a range of other initiatives to improve bilateral relations with Fiji and allow Fiji to begin to reintegrate with the Pacific Islands region.

*Define engagement*

These initiatives should be announced through a definitive statement to the federal parliament situating Australia's relations with Fiji in the context of its wider long-term interests in the Pacific region.

The stepping up of diplomatic contacts and softening of sanctions should be explained as efforts by Australia to prepare to assist Fiji's transition to democracy. Mr Rudd should indicate that should Fiji accept the offer of the multi-partner coalition for assistance with constitutional and electoral reform, Australia would also support three other measures designed to give Fiji leaders, civil servants, businesspeople and civil society access to their Australian, regional and international counterparts and to new ideas as they prepared to transition to democracy.

**POLICY BRIEF**

**POLICY OVERBOARD**

These measures could include:

**An Australia-Melanesia-Indonesia leadership dialogue**

Ministers and senior members of the engaged private sector, academia, civil society and media should invite their counterparts from the four independent Melanesian countries and from Indonesia to a dialogue on leadership, similar to the model of the Australian-American leadership dialogue. The inclusion of Indonesia would demonstrate to the Melanesian countries that this is not an opportunity for Australian ministers to preach about good governance but a genuine dialogue of leaders from across different sectors in our nearest region.

Giving Fiji ministers exposure to discussion on leadership in a forum that is not focused solely on Fiji will help their understanding and perspective on leadership and democracy. Indonesia's useful experience in transition to democracy will also be invaluable. The inclusion of businesspeople, academics and others will show that relationships between countries are not just about government. The initiative – perhaps best led by the private sector – would be an important signal of the level of seriousness with which Australia regards the future of the region.

**Public sector twinning**

Australia's travel sanctions have been blamed by some for the limited talent pool on offer to take up key public service positions and the subsequent militarisation of the public service. The theory that good people are unwilling to take up positions if they will be subject to restrictions on travel to Australia is probably only partly responsible for this situation. In

reality, emigration of talented professionals, the government's sacking of a number of key public servants and the preference of some simply not to work for the government are important contributing factors.

The Australian government could acknowledge that the Fiji civil service is under pressure and is also suffering from some talent shortages and offer to assist. Fiji civil servants already participate in a variety of training and leadership courses in Australia. Australia could extend this support by offering to host short-term placements for Fiji public servants to work in counterpart agencies in Canberra – in a similar vein to twinning arrangements that have been available to Papua New Guinea's public servants.

The exposure to the workings of key Australian government agencies that such an arrangement would give Fiji public servants would assist in building capacity but also, importantly, build goodwill. The private sector already offers these opportunities with Fiji citizens who work for banks or major hotel chains eligible to work on a short-term basis in the Australian branches of their employers. These links are another avenue to influence the transition to democracy and establish solid connections with potential future key decision-makers.

**Inclusion of Fiji in PACER Plus negotiations**

There has been very little movement on the PACER Plus trade negotiations since Australia hosted the Pacific Islands Forum meeting in August 2009 which announced the formal commencement of negotiations. Many Pacific Island countries are concerned about the exclusion of Fiji from PACER Plus, and Pacific Islands Forum Leaders in Port Vila in 2010

**POLICY BRIEF**

**POLICY OVERBOARD**

agreed that the Ministerial Contact Group would ‘consider possible modalities for engaging Fiji in PACER Plus negotiations’.<sup>25</sup> If Australia indicates that it will not stand in the way of Fiji being invited to the PACER Plus negotiating table, this process could make a recommendation to leaders at the Forum meeting in Auckland in September 2011 that Fiji be invited to join PACER Plus negotiations. This would have the benefit of giving Fiji officials access to their regional counterparts and addressing some regional disquiet without offering the much more significant gesture of lifting Fiji’s suspension from the Forum.

**Risks and returns**

This strategy would show beyond reasonable doubt that Australia wants to invest in Fiji’s democratic future and that its objective is to advance and protect the long-term relationship between the people of Australia and the people of Fiji. The Australian government should make very clear that while it is proposing greater engagement with Fiji, this does not confer an endorsement of the 2006 coup.

There are significant risks in this strategy. The most obvious and most likely is that the Fiji government will reject Australia’s offer and castigate the Australian government for interfering in the internal affairs of Fiji. Australia could be embarrassed by making a significant gesture only to be snubbed yet again by Fiji.

This risk is mitigated by the recommendation to build a solid multi-donor coalition that makes an offer that is difficult for the Fiji government to refuse. While Bainimarama

would happily reject Australia, he might think twice about snubbing India or Indonesia.

If the Fiji government rejects the multi-donor offer, it would help to solidify crumbling international opinion against Bainimarama and clarify to the international community, but more importantly within Fiji, Bainimarama’s own lack of commitment to a democratic future for Fiji and to Fiji’s international partnerships. It might stimulate an increase in popular demand for greater accountability from the Fiji government.

Given the difficulties of communicating messages in the traditional media in Fiji, the Australian government should also consider proactive use of social media to communicate its initiative to the Fiji people. A recent study has found that 110,000 Facebook accounts originate in Fiji and annual growth is expected to exceed 75 per cent.<sup>26</sup>

If the Fiji government accepted the offer, Australia would be much better placed to assist the Fiji people craft their own future and to develop relationships with the future leaders of the country.

Kevin Rudd believes Australian foreign policy should make a difference.<sup>27</sup> If Australia wants to be a credible power in its own region and create middle power on the world stage, it should start by making a difference in Fiji.

*This paper is an amended version of an address delivered by the author to the Australia-Fiji Business Council’s Fiji Business Update at the Menzies Hotel in Sydney on 4 April 2011*

POLICY BRIEF

POLICY OVERBOARD

NOTES

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- <sup>2</sup> Department of Foreign Affairs and Trade, *Joint Press Conference with Foreign Minister Stephen Smith and New Zealand Foreign Minister Murray McCully*. Canberra, 3 February, 2010.
- <sup>3</sup> ABC Radio Australia, Fiji welcomes overtures made by the Australian Opposition. (20 August 2010).
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