



## Solomon Islands' new government: A chance to reset Australia's Pacific diplomacy



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The meeting between Solomon Islands' new Prime Minister Jeremiah Manale and Australia's Deputy Prime Minister Richard Marles in Honiara on May 21 suggested that the change in leadership in the island nation may have given the two governments an opportunity to reset their relationship.

Bilateral ties suffered during the tenure of Manale's predecessor, Manasseh Sogavare, a regular critic of Australia whose decision in early 2022 to enter a comprehensive security deal with China raised anxieties in Canberra.

Manale, who co-signed the security pact in his capacity as Sogovare's foreign minister, is known to share the pro-Beijing-bent of his predecessor. However, the newly elected leader, who previously worked with Australian officials engaged in the Regional Assistance Mission to the Solomon Islands (RAMSI), is generally regarded by Australian insiders and analysts as a less combative figure and someone that Canberra can work with.

On this front, Marles' trip to Solomon Islands seems to show that Canberra's ties with the new administration are off to a positive start, with Manale affirming the 'depth and strength' of the bilateral relationship and telling Marles that 'I want to see our relationship grow to new heights during my tenure as prime minister.'

Moving forward, at the front and center of efforts to rebuild ties are likely to be the areas of security cooperation, development aid, and budgetary assistance – each of which were addressed during the visit. The former in particular has been the focus of considerable attention since the China-Solomon Islands security pact, with Marles reinforcing that the decision to visit Honiara so soon after the election of the new prime minister was prompted by Canberra's commitment 'to be the Solomons' go-to security partner.'

But raising the bar on Australia's aid efforts is likely to be no less pivotal for putting ties on a firmer footing. During Marles' visit Manale indicated that he was especially keen to 'fast-track' projects with partners that would 'help Solomon Islands move forward faster to achieve its economic, social and security objectives.' He also indicated that 'budget support' will help 'further cement our relations.'

On this front there can be no doubt as to the generosity of Australia's assistance packages to date – a fact that Manale acknowledged. Since the withdrawal of RAMSI in 2017, Australia has provided over AU\$800 million in aid in key areas including security, health, education, agriculture, and governance.

Yet while this aid is having an impact, it has been less than stellar.

The Australian Department of Foreign Affairs and Trade (DFAT) report for 2022-2023 ranked the performance of Australia's development program in the Solomon Islands as only 'adequate' in effectiveness across a

majority of categories, including health and education. None achieved a 'very good' rating. 2023's Final Investment Monitoring Report for the Solomon Islands Governance Program delivered a 'less than adequate' rating.

Yet these modest ratings likely exceed what for some are visceral appraisals of Australian aid programs' performance. Australia is, of course, not fully responsible for outcomes that are contingent on governance and policy decisions in another sovereign nation. Yet the cold reality is that despite decades of assistance to the tune of several billion dollars, Solomon Islands remains one of the most poverty-stricken nations in the most aid-reliant region on the planet. This is borne out not only by anecdotal observations but also by statistics, with Solomon Islands' per capita GDP well below that of Papua New Guinea, less than half of those of Tonga and Samoa, and a bit over a third of the GDPs of Tuvalu and Fiji.

All this gave a leg up to Sogavare, who has long insisted that Australian assistance has fueled dependency as opposed to moving the nation toward economic self-determination. This judgement fed into his hallmark 'look north' campaign policy, which promoted reducing reliance on Australian aid by expanding trade and investment links with China. His party's substantial seat losses in the last election, while no doubt the result of a number of factors and not just foreign policy, means that the broader popularity of this view is questionable. But it should trouble Canberra, nonetheless, that this has now become a recurring theme in the Melanesian sphere.

The 'look north' policy is actually the namesake of a number of policies taken up over the last few decades in Melanesia, the first being that adopted by Papua New Guinea (PNG) in the early 1990s. This occurred as PNG's economy and relationship with Australia's Paul Keating-led government suffered concurrent crises. PNG's leader at the time, Paias Wingti, according to a DFAT official, appeared at the time to feel that Australia was 'holding PNG back economically' – perhaps an accusation that Canberra was fueling aid dependency. He was also apparently 'happy to see Australian influence diluted, especially in the economy.'

In the next decade a 'look north' policy was adopted by another government whose relationship with Australia was in crisis: Fiji. This occurred after the Australian government pushed a hard line in response to a coup that toppled Fiji's government in late 2006, including a reduction in state aid and security cooperation. Yet, according to some experts, underlying Fiji's new policy was a broader aspiration for tapping into global markets to expand the nation's agency and economic determination. This intersected with China's push into the Pacific through its Belt and Road Initiative, and was a precursor to Fiji entering tighter, and prolonged, security cooperation with China.

Canberra would of course counter claims that it is intentionally holding nations in the region back – or under its sway – through its aid regime. Yet underlying this recurring perception problem among Melanesian elites is that while individual programs have delivered untold benefits to local communities, the big picture of Australia's aid performance in the Pacific is not flattering.

The reality is that the Melanesian sphere, which with a few exceptions has been the primary focus of Australia's Pacific aid, is generally poorer, on a per capita basis, than its Polynesian and Micronesian peers – which are more influenced by New Zealand and the United States, respectively, with Fiji the only exception. Mountains of health aid also failed to prevent a substantial widening of the gap between life expectancy in Pacific Island countries and the global average. On top of this, several nations that are recipients of Australian assistance in and just outside the Melanesian sphere have some of the worst infant mortality rates outside of Africa.

Each of these issues are of significant concern in their own right. Yet they may have also played a key role in past failures in an area that is of primary concern to Canberra: regional stability. Infant mortality, GDP per capita, and life expectancy have each been identified by researchers as predictors of political instability.

In view of this, it is notable that when Papua New Guinea, Fiji, and Solomon Islands separately adopted 'look north' policies or penned comprehensive security deals with China, it was in each case only several years after

major social and political disturbances. In PNG, 'look north' emerged during the ongoing Bougainville conflict and amid years of growing instability and lawlessness following a painful economic transition from an agrarian to a resources-based capitalist economy. In Fiji's case, it was adopted in the wake of the latest of a series of coups. And in Solomon Islands, the security deal with China came after years of internal strife, suppressed with some success thanks to the Australian-led RAMSI, yet which reemerged after Honiara agreed to shift diplomatic recognition from Taiwan to the People's Republic of China.

Poor performance in relation to the economic and health-related predictors of social instability also appear to correlate with Pacific Island countries' decisions to draw closer to Beijing. When the Solomon Islands and Kiribati switched diplomatic allegiances from Taipei to Beijing, both of the Pacific Island nations languished near the bottom of the region's league table in terms of GDP per capita. Kiribati, alongside Papua New Guinea, was also a poor performer in global comparisons in life expectancy, and both nations, along with Timor-Leste, have the highest infant mortality rates in the region. Timor-Leste and Papua New Guinea are also among the region's poorest nations on a per capita basis.

Notably the latter two have also recently shifted in China's direction on security. Timor-Leste, which Singapore's foreign minister last year said was 'virtually a failing state,' saw its Prime Minister Xanana Gusmao last year agree to sign a joint China-Timor-Leste pact that upgraded the two nations' relationship to a 'comprehensive strategic partnership' and enhanced military cooperation. Soon after, Timor-Leste's President José Ramos-Horta revealed that he had taken the initiative to ask Beijing's help to develop police and military infrastructure.

Earlier this month it was revealed that Australian diplomats scrambled to head off a policing deal between China and Papua New Guinea, several months after widespread riots broke out in PNG's capital, Port Moresby.

To the extent that denying China a security foothold in the region is a core aim of Australia's regional aid diplomacy, these factors arguably support a different take on what should be the priorities of Canberra's assistance programs. Instead of investing in aid to influence the foreign policies of nations that in more recent times have patently placed a premium on their own agency, Australian aid should perhaps foremost target the causes of instability that could lead Pacific Island countries to barter their sovereignty for security. Put another way, Australia should seek to study and identify factors like those mentioned above that tend to make Pacific Islands unstable, and devise an outcome-focused approach that prioritises improvements in those areas.

There are practical reasons for doing so. The first is that while Canberra exacts some diplomatic capital through 'outbidding' China on the aid front, this is not a winning strategy for the long term. Unless Australia can enlist investment in the region from more powerful allies, most of which have less strategic skin in the game, economic asymmetries mean that Canberra has little chance of out-competing Beijing's aid diplomacy should the latter pull out all stops to increase its influence.

And while Canberra also currently wins out in experience and capabilities on the aid front, Beijing has been exploring ways to up its game, especially in the area of health diplomacy, where it is encouraging research and building up smaller programs, such as earlier engagements between Solomon Islands health officials and the Guizhou Medical University. Again, asymmetries of resources and personnel make the long term prospects of Australia out competing China on this front a risky bet.

Second, while adaptability and responsiveness are always essential virtues in development assistance planning, devising aid programs around a sharper organising concept could make programs more focused, coherent, and directed at tangible, outcome-based metrics.

But last and most important, by focusing on strengthening the stability and by extension the agency of Pacific Island nations, such a strategy is likely to bring Australia and Pacific Island leaders' aims and interests into better alignment. That, in turn, will pave the way for less skepticism and closer engagement to achieve outcomes that serve both Pacific Island nations' and Canberra's collective security interests. Building trust in this way may also bolster Australia's aspirations to remain the region's 'security partner of choice.'

Such an approach may encounter resistance in Canberra, which is still committed, through its Stronger Pacific Family policy, to 'winning' in its 'strategic competition' with Beijing in the region. Yet there are few signs that this is an agenda that Pacific Island countries are enthusiastically behind. Better targeting aid to help Pacific Island nations feel more secure about their future, by investing in mitigating potential causes of crises and not just bolstering capacities to respond to them, could better position these countries to resist intrusive security deals that could compromise their sovereignty and threaten Australia's security interests.

Doing so means investing trust in the premium Pacific Island countries place, in the absence of existential security concerns, on retaining the 'friends to all' policy they see as being pivotal to maximising their agency. If the history of 'look north' policies are anything to go by, it is at least better to be seen as a facilitator of agency than a perceived impediment to it.

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