

## US-Japan Development Cooperation for Stability and Prosperity in the Pacific Islands Region

By Mr. Hideyuki Shiozawa

The stability and prosperity of the Pacific Islands is a critical security concern for the United States and Japan. The Pacific Island nations and their people are the backbone of the region, however, they face medium- and long-term challenges, such as economics, the effects of climate change, and natural disasters.

Japan and the United States, working in concert with Australia and New Zealand, have been development partners of Pacific Island nations for many decades, helping them solve problems and become self-reliant under their respective approaches and policies. Currently, Japan, based on its triennial Pacific Island Leaders Meeting (PALM) and the Free and Open Indo-Pacific vision, and the United States, based on its Indo-Pacific Strategy, are implementing various programs focusing on human resource development and infrastructure improvement. Many of these initiatives are underpinned by an emphasis on the rule of law and good governance.

In recent years, however, geopolitical competition among major powers in the Pacific Islands region has made some Pacific Island countries wary of increased engagement with their former sovereign states, the United States, Australia, and New Zealand. To further complicate matters, taking a regional approach proves difficult as each of the 14 Pacific Island countries faces different challenges. Under these circumstances, the United States and Japan, as allies with common values, should coordinate their development efforts. In this endeavor, understanding and complementing each other's characteristics will be critical in realizing strategic and effective trilateral development cooperation with Pacific Island partners.

In order to better coordinate assistance to the Pacific Islands, it is necessary to understand the complexities of the region. First of all, the Pacific islands regional order can be better understood by considering it as a multilayered structure consisting of (1) a US-Australia-NZ security framework, (2) a regional institutional framework formed by the United States, Australia, New Zealand, and Pacific Island Nations through the agencies that make up the Council of Regional Organizations in the Pacific (CROP) and the membership of the Pacific Islands Forum (PIF), (3) frameworks only for Pacific island countries such as Pacific Small Island Developing States (PSIDS), Parties to the Nauru Agreement (PNA), and Pacific Islands Development Forum (PIDF), and (4) a sub-regional framework comprising Micronesia, Melanesia and Polynesia. China's growing influence in recent years, while being an alternative development partner for each Pacific Islands country, may challenge the security framework of the current regional order.

Second, it must be recognized that there is diversity among the 14 Pacific Island countries. When considering each country individually, the approach through the above frameworks will not necessarily be effective. Each state has a different economic structure and is impacted differently by shifts in the global economy. For example, Papua New Guinea (PNG) is a resource-rich country; Fiji and Palau have somewhat developed private sectors; Samoa, Vanuatu, Solomon Islands, and Tonga have underdeveloped private sectors; and government spending in the Marshall Islands, Kiribati, Tuvalu, and Nauru exceeds 60% of GDP.

In addition, due to topography, the low-lying atoll countries—Marshall Islands, Kiribati, and Tuvalu—and the mountainous countries with freshwater systems—Federated States of Micronesia, Fiji, Vanuatu, and Solomon Islands—have significant differences in water availability and food production. Furthermore, as many Pacific

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Island countries have small populations, their citizens enjoy a close relationship with their national government. This characteristic can be described as an advantage.

Before considering the development roles of the United States and Japan in the Pacific Islands region, it is helpful to review the characteristics of each nation's approach. Japan's official development assistance (ODA) to the Pacific Island countries is anchored in the PALM Leaders' Declaration, which is announced every three years, and covers a wide range of areas including education, health, fisheries, disaster risk reduction, renewable energy, socioeconomic infrastructure, and so on. Its methods include technical cooperation such as the dispatch of volunteers and experts by the Japan International Cooperation Agency (JICA) and grant assistance by the Ministry of Foreign Affairs and JICA. In addition, in recent years, the Ministry of Defense has been supporting humanitarian assistance and disaster response, and the Japan Coast Guard has been supporting the strengthening of maritime security, both of which emphasize human resource development. Japan has been working with the people of Pacific Island countries for decades. As inhabitants of island countries in the Pacific, the Japanese and the peoples of the Pacific Islands share cultural commonalities with one another.

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The United States is responsible for the post-WWII order. Especially in the Freely Associated States, the Marshall Islands, Federated States of Micronesia, and Palau, the United States has very deep economic, security, and human ties under the Compacts of Free Association (COFA). The United States is also a member of the Pacific Community (SPC) and Pacific Islands Development Program (PIDP) of the CROP agencies, which has an influence over the entire region and is largely characterized by its role in regional security. In terms of implementing strategic and effective development assistance in the Pacific Islands, The United States and Japan are well-positioned to leverage synergies in the following target sectors: strengthening disaster resilience, enhancing coastguard capability, ensuring food security from fisheries and agriculture, supporting local communities through microeconomic revitalization, strengthening national finances, and securing access to safe water. To proceed with coordinating cooperation efforts, the United States and Japan should endeavor to:

1. Establish trilateral country teams for each Pacific Island country. As members of a country team, Pacific Island nations will not be mere beneficiaries, but rather collaborative partners.
2. Group country teams by common issues. This issue-based approach is different from the above regional frameworks and facilitates broader regional coordination through subregional action tailored to address specific needs in a targeted and practical fashion.
3. Involve local communities in deliberations on development projects that would affect them.

An alternative approach would be to rollout US-Japan trilateral cooperation by strategically selecting Pacific island partners to showcase the effectiveness of collaboration. As the program proves successful, it would attract more interested parties in the Pacific. Pacific nations with good relations with the United States and Japan would be ideal candidates to promote this trilateral US-Japan cooperation model. The Freely Associated States—the Marshall Islands, Federated States of Micronesia, and Palau—would make great pilot partners for this approach.

To ensure that US-Japan development cooperation cultivates more stability and prosperity among the Pacific Islands nations, it is important to have active US-Japan dialogue. This discourse should span formal and informal settings, administrative and summit level officials, track 1- and track 2-dialogues, and domestic venues and international forums, including the PALM

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