



# **Make your presence felt: Pacific Island diplomacy with the United States**

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## **Executive summary**

How do small Pacific Island countries (PICs) fare in pursuing their national interests with the U.S.? The numerous challenges faced by the PICs originate both from their size and international strategies as well as from the consequences of the relative historical disengagement of the U.S. and Washington's contemporary re-engagement. Since 2017, U.S. relationships with the PICs have changed, with Washington spurred to greater attention to the unfolding strategic competition with the PRC. Strategic competition has driven the U.S.' increased engagement throughout the PICs, with the greatest focus being on the PICs of the North Pacific. Renewed funding for the Compact states in the North Pacific, the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI) and Palau has been uppermost in American thinking about the PICs. Strategic competition also drives the expanded U.S.' interest in the South Pacific. Heightened U.S. engagement also brings numerous opportunities and challenges for the PICs.

This policy paper is organized around five questions. What challenges confront small states diplomacy in Washington? What is the status of U.S.-PIC relations? How are the complex relationships between the U.S. and the Freely Associated States (FAS) managed? How are relationships between the U.S. and the remaining Pacific Islands managed? Finally, how can PIC diplomacy with the U.S. be adapted to better advance PIC interests?

## **Key findings:**

- The Trump administration's Pacific Islands policy has yet to be articulated.
- Funding for the Biden administration's promises to the Pacific Islands remains incomplete.
- Implementation of the Compacts of Free Association has been affected by cuts made by the Trump administration's Department of Government Efficiency.



## **What are the challenges for small-state diplomacy in Washington?**

The cliché that “diplomacy is a contact sport” wrongly suggests some equivalence between parties – diplomacy does not pit two teams of equal size against one another. In diplomacy, the equivalence of size and resources is nowhere to be found. Diplomacy in Washington is less like a sport and more like a rumble. It relies upon personal contacts, and the number of contacts possessed by a foreign ministry and its embassy depends upon the number of diplomats employed. Pacific Islands diplomatic missions do not sport many diplomats, and that translates into limited influence. Nor are the foreign ministries that manage PIC diplomacy large. Public data on three foreign ministries (both domestic and international presence) are indicative. Samoa’s Ministry of Foreign Affairs employed 74 people in fiscal year 2018-19.<sup>1</sup> Fiji’s Ministry of Foreign Affairs employed 158 people in the 2018-19 fiscal year.<sup>2</sup> Tonga’s Ministry of Foreign Affairs planned employment for the 2021-22 fiscal year totaled 59 people.<sup>3</sup> Of these three, only Fiji has an embassy in Washington, while the other two accredit their permanent representatives to the United Nations and to the U.S. as well.

On the face of it, PICs do not need large diplomatic missions. PICs have small populations and limited trade with the U.S., thus reducing the necessity of consular and economic diplomacy. This logic can be misleading. For example, every PIC has an interest in the ocean. The Blue Pacific is economically dependent upon the ocean, and maintaining the productive health of the seas is vital. A diplomat seeking to engage with the U.S. regarding the ocean would have to navigate an array of agencies and offices. On any given ocean-related topic they may need to interact with the U.S. Navy, the Coast Guard, the Department of Homeland Security, the Drug Enforcement Agency, the Department of Commerce, the National Oceanic and Atmospheric Administration (NOAA), the U.S. Geological Survey, or the State Department’s Bureau of Oceans and International Environmental and Scientific Affairs to

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<sup>1</sup> Ministry of Foreign Affairs and Trade, Annual Report 2018/19, Government of Samoa, 2020, accessed 1/15/25, [online](#).

<sup>2</sup> Ministry of Foreign Affairs, Annual Report 2018/19, Government of Fiji, 2019, accessed 1/15/2025, [online](#).

<sup>3</sup> Ministry of Foreign Affairs, Palani Fakata’u Tolu & Patiseti 2019/2020 – 2021/2022, Government of the Kingdom of Tonga, 2019, accessed 1/15/2025, [online](#).



name a few. This is not an insurmountable challenge, but it becomes more complex when the diplomatic mission simultaneously deals with multiple issues.

A further complication surrounds interactions with the U.S. Congress. Legislation in which a PIC may have an interest may be under consideration at any time on Capitol Hill. To know what is being considered and whether a legislative item is relevant requires constant monitoring. Some of this can be automated using bill and legislative tracking software, but this does not replace the need to engage with members of Congress or their staff.

Allan Gotlieb, formerly Canada's ambassador to Washington, argued that "the most important requirement for effective diplomacy in Washington is the ability to gain access to the participants in the decision-making process".<sup>4</sup> Access to decision-makers can be time-consuming and challenging for both Americans and representatives of foreign governments.

None of this should be taken to criticize the effectiveness of PIC diplomacy. Pacific diplomats are as skilled as diplomats from anywhere. The diplomatic goals they pursue reflect careful thought and planning. Where PIC diplomacy is mostly challenged is in the interests they represent and their organizational capacity. Human and financial resources constrain PIC diplomacy. Sometimes, economies of scale can be achieved when missions work together. Australia and New Zealand have often assisted and mediated PIC engagement with Washington. The best-known example is the annual June event, "Pacific Night," sponsored by the New Zealand and Australian embassies. Typically hosted at the New Zealand embassy, it combines a public event featuring speakers discussing issues relevant to the Pacific and ends in a reception bringing together a wide array of relevant officials from across Washington. Tonga's Permanent Representative to the UN, Va'inga Tone, explained, "It's a great opportunity to ... highlight the important relations that we have with the United States".<sup>5</sup>

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<sup>4</sup> Gotlieb, Allan. *I'll Be with You in a Minute, Mr. Ambassador: The Education of a Canadian Diplomat in Washington*. Toronto; Univ. of Toronto Press, 1991.

<sup>5</sup> Center for Security and International Studies, "Pacific Policy Pulse: Ambassador of Tonga to the United States Va'inga Tone," May 7, 2024, *YouTube*, accessed 1/15/2025, [online](#).



As part of this effort, PIC diplomats also visit executive branch officials and key legislators. Australian and New Zealand diplomats often assist in setting up these meetings on behalf of PIC diplomats. For example, to promote PIC presence in the U.S. Congress, the Australian Embassy's congressional liaison office organized a series of meetings with members of Congress and their staffs for PIC diplomats in 2019. Similarly, during COVID, the embassy of Australia choreographed a series of Zoom-based meetings bringing together PIC diplomats located in Washington, DC, and New York. On its face, Australian and New Zealand efforts to support PIC diplomacy appear reasonable; after all, their diplomatic missions are larger and better funded. Obviously, Australia and New Zealand curate PIC engagement with the U.S. to advance their own relationships with the White House and Capitol Hill.

## **What is the state of USPIC relations?**

The health of any relationship depends upon the point of view. From the U.S.' point of view the relationship with the PICs has generally improved since 2017. Meanwhile, from the PIC perspective relations with the U.S. have improved, stayed the same, or declined, depending upon which of the fourteen PICs one has in mind.

Since 2017, the U.S.' interest in PICs has radically changed. The signal for that change was the 2017 U.S. National Security Strategy, labeling Russia and the People's Republic of China (PRC) as revisionist powers driving strategic competition. The 2017 strategy makes only one mention of the Pacific Islands, stating that the U.S. will "shore up" economic relations with the PICs to "reduce their vulnerability to economic fluctuations and natural disasters".<sup>6</sup>

Following this anodyne statement, the U.S. engagement with the PICs underwent a dramatic shift. A significant early step came when the Trump White House created a National Security Council staff position for Oceania.

Australia and New Zealand work in concert in Washington to help promote U.S. engagement in the Pacific. This attention to Canberra and Wellington became evident when the Trump administration, in September 2019, named a bundle of new funding for the PICs as the Pacific Pledge, echoing a pattern begun by the two antipodean powers. New Zealand had its Pacific Reset and Australia its

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<sup>6</sup> United States National Security Statement (2017) Washington, D.C., [online](#).



Pacific Step-Up, but Washington's Pacific Pledge never really caught on as a framing convention.

The Biden administration built on his predecessor's Pacific focus. Kurt Campbell, the then U.S. Indo-Pacific coordinator, said in a January 2022 public event, that the Indo-Pacific region had often been overlooked. He further said that, in matters concerning the Pacific, he primarily looks to Australia for leadership.<sup>7</sup>

In September 2022, the White House hosted a Pacific Islands Summit, hosting every PIC leader minus those from Nauru, Niue, Vanuatu, and Kiribati. At that summit, the U.S. released its first Pacific Islands strategy, embracing Pacific Island consultation and actively sought to engage with the Pacific Islands Forum's 2050 strategy. At the summit, the U.S. also announced nearly trebled economic support for the Pacific Tuna Treaty, offering \$600 million over ten years.<sup>8</sup> Other announcements included the intention to recognize both the Cook Islands and Niue and opening new embassies in the region. The main takeaway from the summit was the administration's willingness to pay attention to the PICs.



*Pacific Island Leaders  
Meeting, September 25, 2023  
Source: New York Times,  
[online](#).*

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<sup>7</sup> Cranston, Matthew, "US needs to step up more for Pacific allies: Kurt Campbell," *Australian Financial Review*, January 11, 2022, accessed 3/2/2024, [online](#).

<sup>8</sup> White House, "FACT SHEET: Roadmap for a 21st-Century U.S.-Pacific Island Partnership," September 29, 2022, accessed 12/12/23, [online](#).



From the Pacific point of view, Solomon Islands Prime Minister Sogavare demonstrated a willingness to attend, even though he had received bad press in the Western media for signing a security agreement with the PRC in May 2022. Sogavare did push back against some of the language in the first draft of the Summit's final communiqué but ultimately signed off on a revised version.

Washington's agreement to recognize two Pacific Islands Forum members, Cook Islands and Niue, was welcome news as well. Samoan Prime Minister Fiamē's advocacy drove their inclusion in the U.S. calculus. Fiji took advantage of Washington's increased interest by appearing before the U.S. International Trade Commission to offer testimony in their investigation on improving trade with the Pacific. Fiji's ambassador, Satyendra Prasad, appeared both on behalf of the PIF Chair, as well as the representative of the Pacific country with the largest bilateral trade with the U.S.

The second Trump administration has already made its mark on the Pacific. Once again Trump's administration withdrew from the Paris Agreement on climate change, putting the U.S. and PICs at loggerheads.<sup>9</sup> The newly elected Trump administration's Department of Government Efficiency (DOGE) has closed the US Agency for International Development (USAID) and terminated numerous grants.<sup>10</sup> The Millennium Challenge Corporation (MCC) suffered the same fate, closing yet another avenue for development assistance. Foreign assistance has long been an essential tool of statecraft and has long played a central role in the Pacific. Terminating development assistance erodes some of the advances made by the Biden administration. New Zealand's Foreign Minister, Winston Peters, visited Washington in March 2025 and came away "much more confident" about ongoing U.S. engagement with the Pacific Islands.<sup>11</sup> Peters' optimism has yet to be borne out, however.

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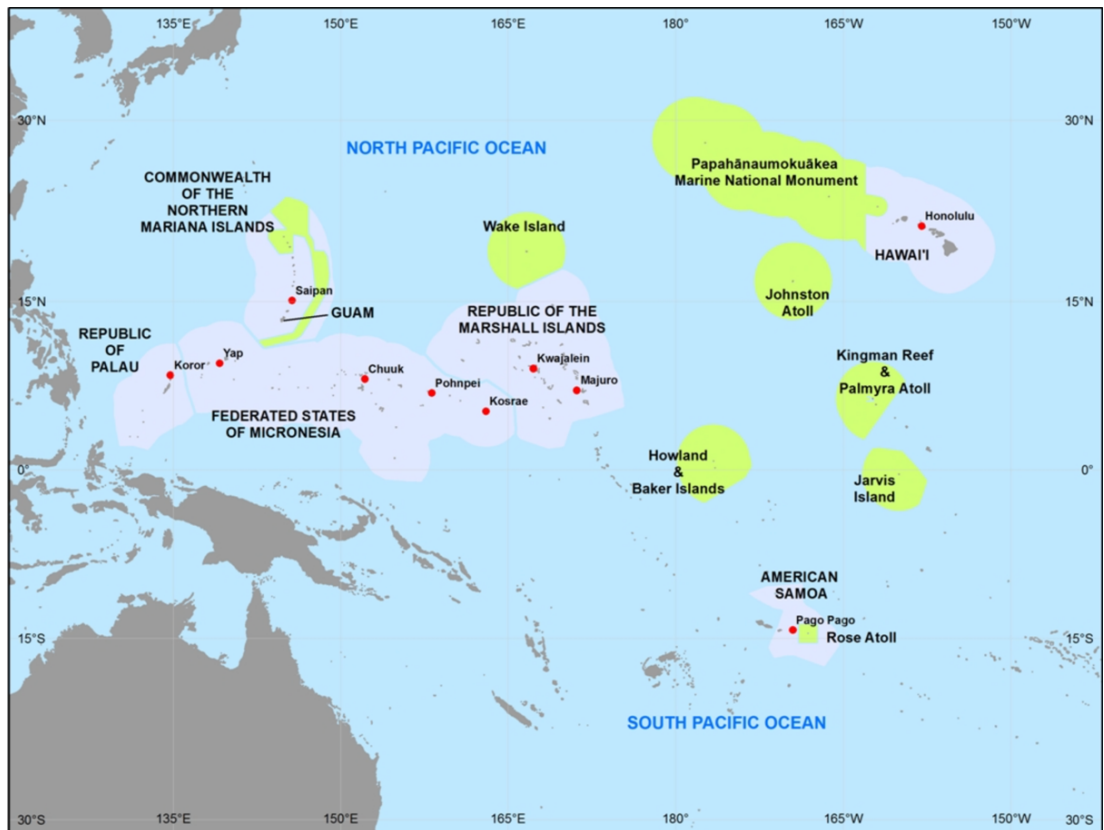
<sup>9</sup> Perez, Nate and Rachel Waldholz, "Trump is withdrawing from the Paris Agreement (again), reversing U.S. climate policy", *NPR*, January 21, 2025, [online](#).

<sup>10</sup> Jackson, Lagipoiva Cherelle, "Explainer: what will the withdrawal of USAid mean for the Pacific?," *The Guardian*, February 16, 2025, [online](#).

<sup>11</sup> Hanly, Lillian, "What exactly was Winston Peters' mission in Washington DC?," *RNZ*, March 20, 2025, accessed March 22, 2025.



Some Pacific Islanders residing in the U.S. got caught up in the wave of deportations. During his visit to Washington, Fiji's Prime Minister Sitiveni Rabuka voiced his concerns in a meeting with Representative Ed Case (D-Hawaii), the chair of the Congressional Pacific Islands Caucus.<sup>12</sup> At this writing, it remains unclear how many Pacific Islanders have been deported.



*U.S. Pacific Island states, territories and freely associated states  
Source: Laura Brewington, East-West Center, 2017*

## United States-Freely Associated States relations

In 2023, Admiral John Aquilino, Commander, U.S. INDOPACOM, testifying before the U.S. House of Representatives Armed Services Committee, described the COFA states as the “cornerstone of the U.S. security architecture in Oceania”. In another hearing before the Senate Armed Services Committee

<sup>12</sup> Ravoi, Christine, “Pacific leaders push back against Donald Trump's immigration crackdown,” RNZ, February 10, 2025, accessed 3/21/25, [online](#).



in the same year, he described the COFA states as “absolutely critical to the defense of the United States”.<sup>13</sup>

In 2019, the three presidents of the Freely Associated States visited Washington, meeting with President Trump, Secretary of State Pompeo, Acting Secretary of Defense Shanahan, and Interior Secretary Bernhardt, as well as members of Congress.<sup>14</sup> Advocacy for negotiating renewed Compact funding featured prominently in their meetings.

In 1947 the Trust Territory of the Pacific Islands (TTPI) was taken up by the United Nations in 1947. The U.S. administered the TTPI and served as the relevant power during the process of decolonization. Three of the four territories (FSM, RMI, and Palau) became independent states, whereas the Northern Marianas Islands became a commonwealth of the U.S. The three independent states entered compacts of free association with the U.S., creating an explicit obligation to defend and deny non-U.S. powers access to the Freely Associated states.<sup>15</sup> In return Washington would extend unlimited visa-free access to the U.S. for all citizens of the three Compact states, and financial support to the islands as well. The first tranche of economic support was for a fifteen-year term, while the second and third tranches go for twenty years.

Congressional funding binds the FSM, RMI, and Palau to the U.S. The third tranche of twenty-year funding delivers a total of \$7.1 billion.<sup>16</sup> FSM will receive \$3.3 billion, a 55% increase over the second tranche. RMI’s third tranche allotment will be 2.3 billion, an increase of 130%. Palau will get \$889 million, which is an increase of 288%. The U.S. Postal Service provides all postal

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<sup>13</sup> Aquilino, John, “Statement of Admiral John C. Aquilino, U.S. Navy, Commander, U.S. Indo-Pacific Command”, *U.S. House of Representatives Armed Services Committee*, April 18, 2023a, accessed 1/1/24, [online](#), and Aquilino, John, “Hearing to Receive Testimony on the Posture Of United States Indo-Pacific Command and United States Forces Korea in Review of The Defense Authorization Request for Fiscal Year 2024 and the Future Years Defense Program, April 20, 2023b, accessed 1/1/24, [online](#).

<sup>14</sup> Kesling, Ben. “Leaders of Three Strategic Pacific Islands Plan Joint Visit to U.S. Presidents of Palau, Micronesia and Marshall Islands to Meet with Trump Next Week.” *Wall Street Journal (Online)*, May 15, 2019. ProQuest, accessed 22/12/2023, [online](#).

<sup>15</sup> Lum, Thomas, “How the Compacts of Free Association Support U.S. Interests and Counter the PRC’s Influence,” *Congressional Research Service, Washington, D.C.*, June 14, 2023, [online](#).

<sup>16</sup> Legislative Proposal and Memorandums of Understanding (2023-10-25). “Cost breakdown of proposed Compact of Free Association Amendment Act of 2023” (PDF). U.S. House of Representatives, accessed 25/10/2023, [online](#).



services to the Compact states and will receive over \$600 million for postal services to the islands.

Negotiating compact funding is complicated. Those who negotiate funding from the FAS wear many hats, including managing the day-to-day affairs of relations with the U.S. The negotiations themselves can be divided into three stages: negotiation of a Memorandum of Understanding of the broad categories for negotiation, the specific language and agreed items to be met by the parties, and the legislative process to conclude the agreements.

Relative to other U.S.-PIC relationships, Washington and the FAS share very close bonds. The FAS's integration into U.S. defense obligations, visa-free access, and the myriads of U.S. government resources allocated to FAS, all place these states in a unique category. Officials from these states can even be heard referring to their countries as being part of the American 'homeland'. Indicative of the unique relationships, the Office of Insular Affairs in the Department of Interior manages the compact relationships. Within this deep intertwining lurks a significant set of diplomatic challenges for the Compact states.

It is no mere hyperbole to say that the Compact shapes virtually every activity undertaken by the FAS diplomats. FAS diplomats must stretch across renegotiating Compact funding, which requires a multi-year engagement with both the executive and legislative branches and managing tensions around perennial consular issues. Two examples illustrate the challenges created by the Compacts. The passage and implementation of the U.S. REAL ID Act and the consequent impact on FAS citizens living in the U.S. created a multiyear headache for FAS citizens living in the U.S. Meanwhile, the RMI, uniquely, has ongoing concerns for compensation around nuclear fallout resulting from the U.S.' nuclear testing there.

These issues stretch the small FSM, RMI, and Palau foreign ministries, especially those diplomats abroad. Many PIC diplomatic missions are accredited to the U.S. and the UN and reside in New York. The three Compact countries are unusual in that regard because they have ambassadors in both New York and Washington, underscoring the relative importance of the Compacts. Diplomats from FSM, RMI, and Palau stationed in Washington can focus on bilateral issues alone, leaving others to worry about the multilateral issues.



A significant bilateral issue that consumes diplomats' time and energy concerns the implementation of the rights of citizens from FSM, RMI, and Palau living in the U.S. A result of visa-free access for COFA citizens has seen their number grow in the U.S. The Government Accountability Office (GAO) reported in 2020 that at least “94,000 Compact migrants—that is, citizens of the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau) as well as their U.S.-born children and grandchildren younger than 18 years—live and work in the United States.”<sup>17</sup> Under the Compact, the numerous rights available to these people often get overlooked by U.S. state bureaucracies, thus creating consular issues for their embassies. Issues around the “REAL ID” exemplify this challenge.

The REAL Act of 2005 created the “REAL ID”. The act standardized criteria used to establish a person’s identity and consequent formatting of driver licenses and ID cards issued by states in the U.S. Using a driver's license or government ID card to board domestic aircraft or access U.S. government facilities requires that the REAL ID standard is used. In 2018, the act was amended to include citizens from FAS states. The result of the change should have been to extend the length of time for which a license could be issued from one year to eight years.

Implementing the amended act has proven to be challenging. The Department of Homeland Security (DHS) issued implementation guidelines requiring FAS citizens to present a valid visa in their REAL ID application.<sup>18</sup> The difficulty was, of course, that FAS citizens travel to the U.S. without a visa. U.S. Senator Mazie Hirono complained that the administration was “ignoring the spirit of the law and making it unnecessarily difficult for COFA citizens”.<sup>19</sup> While visiting Washington in May 2019, Marshall Islands President Hilda Heine expressed her concern that the situation made things unnecessarily difficult for Marshallese living in the U.S., noting the situation was preventing them “from

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<sup>17</sup> “Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects.” *Policy File*. US Government Accountability Office, 2020, p. 1., accessed 1/15/2025, [online](#).

<sup>18</sup> Hofschneider, Anita, “New Federal Rules Block Driver’s Licenses for Micronesians in Hawaii”, Honolulu Civil Beat, May 6, 2023, accessed 26/22/2023, [online](#).

<sup>19</sup> Hofschneider.



contributing fully within their respective communities”.<sup>20</sup> Things needed to change.

After advocacy by diplomats from the Compact states, FSM President Panuelo optimistically announced in early September 2019 that a visa was no longer required to get a REAL ID. He gave his ambassador to the U.S., Akillino Susaia, the task of liaising with the other two Compact states, the DHS, and the state-based Department of Motor Vehicles to implement the updates.<sup>21</sup> Even with the DHS implementation clarification, this has proven to be easier said than done. For example, the Iowa Department of Transportation issued three memos in 2019 and 2020 in implementing the change.<sup>22</sup> For the Compact states, this legislation delivered important results for their citizens, and the amended legislation demonstrated the U.S. Congressional responsiveness to the interests of the three Compact states. Yet, getting DHS to act efficiently and effectively on this matter took considerable external effort. The change was imposed from outside the department, which took little ownership. From the point of view of DHS, with issues ranging from immigration to anti-terrorism, the extension of the REAL ID act would have barely registered a blip.

Amidst the REAL ID kerfuffle, plans for negotiation of the third tranche of funding for the Compact states had already begun. These negotiations involved several discrete stages. The parties engaged in broad discussions first to help set the stage for signing an MOU. The MOU would lay out the amounts and types of future requested for the Compact states.<sup>23</sup> Following on from these, further negotiations would detail the language to be submitted to the U.S. Congress for consideration. The COFA countries were supported in their efforts to secure the new funding by Washington lobbyists. For example, both the RMI and Palau hired the lobby firm Akin, Gump, Strauss, Hauer and Feld. The firm

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<sup>20</sup> Johnson, Giff, “Trump meets FAS ‘family’”, *Marshall Islands Journal*, May 23, 2019, accessed 26/12/2023, [online](#).

<sup>21</sup> Panuelo, David, “Citizens of the FSM Applying for REAL ID Driver’s Licenses: You Need Your I-94 and Your FSM Passport”. *Office of the President, Federated States of Micronesia*, September 4, 2019, accessed 26/12/2023, [online](#).

<sup>22</sup> Doty, Darcy, “REAL ID Issuance for Citizens of Freely Associated States (the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau)”, Motor Vehicle Division Policy Memo # 20-02, March 2, 2020, accessed 16/12/2023, [online](#).

<sup>23</sup> United States Department of State, “The United States of America and the Republic of Palau Sign Memorandum of Understanding”, January 10, 2023, accessed 27/12/2023, [online](#).



has extensive experience in representing foreign countries; their clients include the UAE, Morocco, and Japan. In the last half of 2021 Palau paid \$140,000, and RMI paid \$240,000.<sup>24</sup>

At the time observers noted that approval of the Compacts seemed likely, given the bipartisan support for the legislation. Giff Johnson, the long-time editor of the Marshall Islands Journal, said, “You have both Republicans and Democrats saying the same thing, which is get these agreements locked in with Palau, the FSM and the Marshall Islands”.<sup>25</sup>

While negotiations with FSM and Palau seemed to go smoothly, talks with the Marshall Islands quickly soured. The RMI changed its diplomatic strategy and demanded that the MOU be renegotiated.

Before word broke of the RMI reneging on the MOU, stories of political bribery and mismanagement of funds had already come into view. In 2020, media reported that two PRC migrants to the Marshall Islands, Cary Yan and Gina Zhou, had been extradited to the U.S. on charges of conspiring to bribe officials of the Marshall Islands. Yan and Zhou tried to set up a special semi-autonomous region exempt from many RMI laws. They were later convicted and then deported from the U.S.<sup>26</sup>

Then came the news that the Trump administration had allowed the Bikini Council to spend down the trust fund established by the U.S. to help resettle people displaced by U.S. nuclear testing. In 2017, the fund stood at \$59 million; by 2023, the balance had dropped to a mere \$100,000.<sup>27</sup>

With negotiations at a standstill, the Marshallese negotiators insisted that the U.S. address the issue of its nuclear legacy in the RMI. President David Kabua underscored the point saying, “It is vital that the legacy and contemporary

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<sup>24</sup> United States Department of Justice, Akin, Gump, Strauss, Hauer and Feld 3492 Supplemental Statement, Foreign Agents Registration, Washington, D.C. 2022.

<sup>25</sup> Radio New Zealand, “FSM president negotiates ‘big top numbers’ in getting MoU with US”, February 21, 2023, accessed 27/12/2023, [online](#).

<sup>26</sup> Belford, Aubrey, Kevin G. Hall, and Martin Young, “Chinese ‘Miracle Water’ Grifters Infiltrated the UN and Bribed Politicians to Build Pacific Dream City,” *Organized Crime and Corruption Reporting Project*, October 3, 2023, [online](#).

<sup>27</sup> McKenzie, Pete, “\$59 Million, Gone: How Bikini Atoll Leaders Blew Through U.S. Trust Fund,” *New York Times*, May 3, 2023, accessed 11/1/2024, [online](#).



challenges of nuclear testing be better addressed".<sup>28</sup> By early 2023 negotiators believed they had sufficiently resolved matters and signed an MOU on January 12, 2023. Majuro's Cabinet appeared to offer its approval on January 10, 2023.<sup>29</sup> While the MOU said little explicitly about the nuclear legacy, it offered \$700 million for a "repurposed" trust fund.<sup>30</sup> The U.S. proclaimed itself, "...committed to addressing the Republic of the Marshall Islands' ongoing environmental, public health concerns, and other welfare concerns".<sup>31</sup>

On January 19, 2023, a week after the parties agreed to the MOU, the Marshall Islands Journal reported that those seeking redress of specific issues got much of what they wanted. The Marshall Islands had secured several key commitments related to the impacts of the U.S. Nuclear Weapons Testing Program. These included: comprehensive healthcare funding for Marshallese communities, support for environmental research and technical assistance, greater public accessibility to testing-related information and records, the establishment of a central museum and research facility devoted to preserving this history, and finally, compensation for individuals and families whose lives were profoundly affected by the testing program.<sup>32</sup>

At that moment it appeared as if the nuclear testing legacy had been mostly addressed. Optimism, however, gave way to a new reality. The next stage in the negotiation process focused on detailing how the funds agreed to would be spent. This is where things began to sour. Compact funding for RMI had increased by 130% over the second tranche. Specific mention had been made on a range of nuclear issues raised by RMI negotiators, but nowhere in the MOU was there specific mention of compensation for the nuclear legacy. Making matters worse, not everybody on the Marshallese negotiating

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<sup>28</sup> Johnson, Giff, "Marshall Islands calls off talks after no US response on nuclear legacy plan", *Radio New Zealand*, September 24 2022, accessed 27/12/2023, [online](#).

<sup>29</sup> Radio New Zealand, "Palau inks Compact deal, Marshall Islands to follow", January 13, 2023, accessed 27/12/2023, [online](#).

<sup>30</sup> Radio New Zealand, "Palau inks Compact deal, Marshall Islands to follow", January 13, 2023, accessed 27/12/2023, [online](#).

<sup>31</sup> White House, "Declaration on U.S.-Pacific Partnership," September 29, 2022a, accessed 12/12/23, [online](#).

<sup>32</sup> Johnson, Giff and Hilary Hosia, "Yun, Kabua agree on Compact money", *Marshall Islands Journal*, January 19, 2023, accessed 27/12/2023, [online](#).



committee had seen the MOU.<sup>33</sup> By May FSM and Palau had signed off on the penultimate text of the Compact agreement, while RMI-U.S. negotiations remained ensnared.

For the U.S., compensation for the nuclear tests created a raft of legal difficulties. The U.S. Mission to International Organizations in Geneva laid out the position on the nuclear legacy with the RMI. The Compact, agreed to by Marshallese plebiscite and passed by the U.S. Congress, resolved “all claims, past, present and future, of the Government, citizens and nationals of the Marshall Islands which are based upon, arise out of, or are in any way related to the Nuclear Testing Program”.<sup>34</sup> Of course, the U.S. understood the RMI had already disavowed the adequacy of the original Compact. In 2000, in accordance with the original Compact, the Marshallese had lodged a statement of changed circumstances, arguing that in the intervening years, enough had been learned and changed that the original compensation was no longer sufficient.<sup>35</sup>

The combined effect of U.S. refusal to explicitly address compensation for the nuclear testing, and poor internal communications amongst the Marshallese combined to derail negotiations. First, in mid-2023, Jack Ading replaced Kitlang Kabua as foreign minister. Then, in mid-July, Ading testified before two U.S. congressional committees. He argued for a better deal than had been agreed in the MOU. With the looming end of the U.S. government’s fiscal year, September 30, funds would stop flowing to the Marshall Islands. With an MOU already concluded and an approaching fiscal deadline, many negotiators might have been inclined to strike a ‘take-it-or-leave-it’ stance. Under the leadership of U.S. envoy Joseph Yun, the U.S. side persisted in trying to find a solution that would satisfy the situation.

On October 16, 2023, the parties signed the agreed terms for a third tranche of Compact funding. With that three-year process concluded, the next step was

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<sup>33</sup> Johnson, Giff and Hilary Hosia, “Yun, Kabua agree on Compact money”, *Marshall Islands Journal*, January 19, 2023, accessed 27/12/2023, [online](#).

<sup>34</sup> U.S. Mission to International Organization in Geneva, “U.S. Explanation of Position on the Marshall Islands’ Nuclear Legacy Resolution”, October 7, 2022, [online](#).

<sup>35</sup> Government of the Republic of the Marshall Islands, “Petition Presented to The Congress of the United States of America Regarding Changed Circumstances Arising from U.S. Nuclear Testing in the Marshall Islands,” September 11, 2000, accessed 1/15/2025, [online](#).



for the U.S. Congress to approve the deal. Politics derailed congressional action. Diplomats from the three FAS embassies briefed Congressional leadership on the importance of the Compacts. Island leaders, with the help of their lobby firms, issued warnings – threats in soft language – that without speedy congressional action the islands might well fall under PRC influence. The funding package finally won congressional approval and President Biden’s signature until March 11, 2024.

The challenge has shifted from negotiating and passing the third tranche of COFA funding to implementing the funding agreements. DOGE has targeted U.S. agencies that provide important services to the COFA states, like the Federal Emergency Management Administration (FEMA) and NOAA. It remains to be seen how this may affect the COFA states.

## United States-PICs relations

The COFA states and the U.S. share an intertwined existence; the same cannot be said for the other PICs. At the start of the Biden administration the U.S. had embassies in PNG, Fiji, and Samoa (with no permanent ambassador in residence), with one planned for the Solomon Islands. Just over midway through Biden’s term, new embassies had been approved for Vanuatu and Kiribati, and the embassies in Solomon Islands and Tonga opened. The December 7, 2024, earthquake wrecked the U.S. embassy in Vanuatu leaving diplomats to work out of their hotel rooms.<sup>36</sup>

At this writing, the future of the U.S.’s newest Pacific embassies remains unclear. Even if these embassies remain, work must still be undertaken to improve consular access. The U.S. embassies in Tonga and the Solomons have few staff and do not yet have U.S. consular facilities. Those seeking a visa from the U.S. must still travel to an embassy with consular services in order that they may undertake an interview to be granted entry to the U.S. This is expensive and time-consuming.<sup>37</sup>

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<sup>36</sup> United States Department of State, Earthquake Alert – U. S. Embassy Port Vila, Vanuatu, December 17, 2024, [online](#).

<sup>37</sup> Natuzzi, Eileen, “Non-Immigrant US Visas: Pacific Island Countries Policies Need Fixing,” *Oceanic Currents*, September 19, 2023, [online](#).



In contrast, all but the smallest PICs have a diplomat deployed to the U.S., albeit living in New York and working at the UN. Living in New York diminishes their influence in Washington as geography, and travel budgets, limit their interactions with officials in Washington. Papua New Guinea and Fiji, however, have embassies in Washington.

Security and climate change rhetoric notwithstanding, trade and commerce dominate U.S.-PIC relations. As a region, the PICS boast a trade-to-GDP ratio of 110% from 2015-2018, for example.<sup>38</sup>

Economy	2017 (thousand \$)	2018 (thousand \$)	2019 (thousand \$)	2020 (thousand \$)	2021 (thousand \$)	Annual average share (2017-2021) %
American Samoa	308378	377029	352538	405655	304864	44.2
Fiji	217711	217293	243670	220540	236731	28.7
French Polynesia	45641	31479	27116	16818	72826	4.9
Papua New Guinea	116663	80692	66032	78240	71120	10.4
New Caledonia	63408	54630	42445	29297	43302	5.9
The Marshall Islands	7748	9728	7982	26714	13413	1.7
Samoa	4547	6730	6969	4669	8769	0.8
Vanuatu	5298	6919	6027	5082	6245	0.7
Guam	4128	4243	5061	2986	3932	0.5
Tonga	3103	2517	4477	2335	2509	0.4
Nauru	1412	2621	4015	3691	2205	0.4
F.S. Micronesia	668	717	1304	2345	1779	0.2
The Solomon Islands	3155	4045	5102	3271	1747	0.4
The Cook Islands	2785	698	447	2419	1055	0.2
Kiribati	3403	2532	2439	1051	892	0.3
Niue	52	328	304	602	662	
Palau	458	1064	1391	428	454	0.1
Tuvalu	125	77	107	41	281	

<sup>38</sup> Pacific Community, "INTERNATIONAL TRADE AS A SHARE OF GROSS DOMESTIC PRODUCT IN SELECTED PACIFIC ECONOMIES", March 18, 2021, accessed 11/1/2024, [online](#).



Tokelau	1581	3050	1142	918	218	0.2
N. Mariana Islands	1623	596	292	336	177	0.1
Wallis and Futuna	19	15	42	738	43	
The Pitcairn Islands	34	16	3	94	4	
<b>Total</b>	<b>791939</b>	<b>807018</b>	<b>778903</b>	<b>808272</b>	<b>773226</b>	<b>100</b>

*Pacific Island Good Exports by country to the United States, 2017-2021. From the U.S. International Trade Commission's report U.S.-Pacific Islands Trade and Investment: Impediments and Opportunities, [online](#).*

Export	2017 (thousand \$)	2018 (thousand \$)	2019 (thousand \$)	2020 (thousand \$)	2021 (thousand \$)	Annual average share (2017-2021)
Prepared or preserved tunas	373,799	445,541	422,631	490,264	366,501	53%
Non-mineral or non-aerated water	101496	109058	114795	86050	120144	13.4%
Paintings and pastels	19590	538	166	168	45,320	1.7%
Coffee	43143	50265	41747	37185	43176	5.4%
Ferronickel	60621	50326	38794	25564	41131	5.5%
Plants and parts of plants used in perfumery, pharmacy, or pesticides	10816	16313	16235	18745	19,262	2.1%
Cocoa beans	21193	17340	10783	29855	19124	2.5%
Turmeric	1670	1785	2269	5403	9376	0.5%
Fresh or chilled yellowfin tunas	8930	9003	9729	3561	9048	1%
Fresh or chilled big eye tunas	7020	7803	7570	5489	9048	0.9%
All other products	143663	99045	114187	105988	91095	14%
<b>Total</b>	<b>791939</b>	<b>807018</b>	<b>778903</b>	<b>808272</b>	<b>773226</b>	<b>100%</b>

*Pacific Island Good Exports by category to the United States, 2017-2021. From the U.S. International Trade Commission's report U.S.-Pacific Islands Trade and Investment: Impediments and Opportunities, [online](#).*



During the Pacific Leaders' Summit in 2022, the parties agreed to establish the U.S.-Pacific Islands Trade and Investment Dialogue. The first Dialogue took place in February 2023. The initial dialogue produced lackluster results. The U.S. presented how the PICs can take advantage of the Generalized Schedule of Preferences (GSP), a program that began in 1974 that offers preferential access to qualifying countries. GSP is intended for middle- and low-income countries. The U.S. Congress has not renewed the legislation, which expired in 2020.

Also resulting from the Summit of 2022 was an inquiry by the U.S. International Trade Commission (USITC) to undertake an investigation into trade with the Pacific Islands. The inquiry, U.S.-Pacific Islands Trade and Investment: Impediments and Opportunities, took both written and oral testimony and made site visits to several Pacific Island countries in preparing a 396-page long report. Ambassador Satyendra Prasad, the only PIC representative invited to testify, spoke wearing two hats. First, he spoke as the representative of the then Chair of the Pacific Islands Forum (PIF), which Fiji held, and wearing his second hat, he spoke as Fiji's ambassador to the U.S. Speaking on behalf of the PIF, Prasad got to the point quickly, saying:

we really encourage, and urge, the U.S. to consider a tailor-made special trade and investment arrangement drawing some of the best lessons from some of the arrangements we already have in the Pacific Islands Forum, but also some of the special arrangements that the U.S. already has with the Caribbean, and with Africa.<sup>39</sup>

He also urged the U.S. Congress to reauthorize the GSP and advocated for greater direct investment, among other things.

Then, he spoke on behalf of Fiji. When it comes to trade with the U.S., Fiji is the trade powerhouse among the PICs. Two-way trade between Fiji and the U.S. in "2021 reached \$419 million with a \$57 million trade surplus by Fiji".<sup>40</sup> In October 2020, the U.S.' trade with Fiji was nudged when the two concluded a Trade and Investment Framework Agreement (TIFA). The TIFA establishes

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<sup>39</sup> US International Trade Commission, "U.S.-PACIFIC ISLANDS TRADE AND INVESTMENT: IMPEDIMENTS AND OPPORTUNITIES – Revised and Corrected Transcript," February 14, 2023.

<sup>40</sup> United States International Trade Administration, "Fiji - Country Commercial Guide", July 31, 2022, accessed 11/1/2024, [online](#).



a council that can advocate for greater trade and investment. Building on these strengths, Prasad said, “The United States is not only Fiji's main export market but has also been Fiji’s number one export destination since 2014 - accounting for approximately 24 percent of our total exports by value.<sup>41</sup> Prasad echoed many of his points on behalf of the PIF but added opportunities in sugar exports to the U.S., human mobility, and biosecurity. None of these areas are free from political infighting and have an array of domestic interests around them. Prospects for action are not high.

On April 2, 2025, the Trump administration announced tariffs on virtually every country. The direct impact of the tariffs on the Pacific is not significant, inasmuch as PIC trade with the U.S. is minimal. The indirect impact, however, may be more meaningful; if the trade war significantly impacts the global trade, PIC economies will suffer.

Country/Territory	Tariff Imposed by U.S.	Tariff Charged by Country on U.S.	Reciprocal Tariff
<b>Fiji</b>	10%	63%	32%
<b>Papua New Guinea</b>	10%	59%	30%
<b>Solomon Islands</b>	10%	48.62%	24.31%
<b>Vanuatu</b>	10%	42.15%	21.08%
<b>New Caledonia</b>	10%	10%	10%
<b>Nauru</b>	10%	48.14%	24.07%
<b>Federated States of Micronesia</b>	10%	10%	10%
<b>Kiribati</b>	10%	10%	10%
<b>Marshall Islands</b>	10%	10%	10%
<b>Palau</b>	10%	10%	10%
<b>Samoa</b>	10%	40.76%	20.38%
<b>Tonga</b>	10%	10%	10%
<b>Tuvalu</b>	10%	10%	10%
<b>Wallis and Futuna</b>	10%	10%	10%
<b>Cook Islands</b>	10%	10%	10%
<b>Niue</b>	10%	10%	10%

The South Pacific Tuna Treaty, formally titled the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America, was signed in Port Moresby in 1987 by the U.S. and 16 Pacific Island parties. The treaty allows U.S. fishing vessels access to the exclusive economic zones of these Pacific Island nations. Arguably, the South Pacific Tuna Treaty stands as the most significant diplomatic instrument in that it engages with and disperses funds to nearly the whole Pacific. Parties to the

<sup>41</sup> Prasad, Satyendra, “Statement by the Fijian Ambassador and Permanent Representative to the UN, H.E Satyendra PRASAD”, Public Hearing submission to the United States - Pacific Island Trade and Investment: Impediments and Opportunities Hearing, US International Trade Commission, February 14, 2023.



treaty have adapted the treaty over the years, modifying the duration and accounting of U.S. fishing fleet access to PIC EEZs. Payment for EEZ access and the accompanying economic support have also shifted over the years.

Negotiations around the treaty's terms, the number of fishing days permitted, and the accompanying economic assistance package have sometimes been bumpy. In May 2011, Papua New Guinea expressed disillusionment with the Treaty's terms, indicating it intended to withdraw. Just a few months later, in December 2011, the U.S. also threatened to withdraw from the Treaty as it sought renewed action on it.<sup>42</sup>

Five years later, in December 2016, the U.S. and the 16 Pacific Island governments (this time including Australia and New Zealand) agreed to amendments to the Treaty. These amendments offered improved economic benefits for Pacific Island countries and more sustainable operations for the U.S. tuna fleet. Key to these improvements has been the leverage offered by the “looming presence of China in the region”.<sup>43</sup>

In the 2020s, the Treaty has continued to adapt and evolve, addressing contemporary challenges such as illegal, unreported, and unregulated (IUU) fishing, the impacts of climate change, and the sustainable management of tuna resources. This ongoing evolution underscores the Treaty's critical role in the sustainable exploitation and management of tuna resources in the Pacific region. Before 2022, the annual compensation offered to the Pacific was \$21 million annually.<sup>44</sup> By agreeing to \$60 million per year, the U.S. signaled the importance Washington attached to the Pacific.

While the Biden administration significantly increased payment for U.S. tuna fleet access, the U.S. Congress has been less helpful. Even with the help of the Congressional Pacific Caucus, Congressional dysfunction reigns supreme. In 2024, the U.S. House of Representatives passed the Amended South Pacific Tuna Act, while the Senate failed to act. Appropriation of funds for increased funding for the Tuna Treaty has not taken place, leaving the possibility of the U.S. reneging on its commitments.

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<sup>42</sup> Tarai, Jope, “The New Pacific Diplomacy and the South Pacific Tuna Treaty,” *The New Pacific Diplomacy*, Greg Fry and Sandra Tarte (eds), ANU Press, Canberra, 2015.

<sup>43</sup> Tarai, 2015, 243.

<sup>44</sup> Tarai, 2015.



Tuna has been on the mind of the new Trump administration. On April 17, 2025, President Trump signed an executive order opening the Pacific Remote Islands Marine National Monument to U.S. commercial fishing. American Samoa Governor Nick Pula proclaimed it "...a victory for U.S. fishermen, for American jobs, and for the people of American Samoa".<sup>45</sup> While good for American Samoa's tuna fleet and cannery, it raises questions over the U.S. commitment to the South Pacific Tuna Treaty. After all, it could be reasoned, why pay for EEZ access when vast parts of the Pacific Ocean have just been reopened? The answer, of course, is that the newly opened American EEZ is not as large as the one covered by the South Pacific Tuna Treaty. The treaty delivers strategic value to the U.S., giving Washington leverage and influence across the Pacific Islands region. Finally, having negotiated the treaty with the Pacific Islands, deciding to withdraw would engender mistrust, which Beijing would then exploit.

## **Next Steps in PIC Diplomacy**

PIC diplomatic challenges in dealing with the U.S. fall into two broad categories: resources and alignment. Unfortunately, no simple solution will resolve these challenges. Perhaps, at best, one can hope for improvement in some areas.

Resource challenges abound in PIC engagement with the U.S. PIC foreign ministries are small in terms of personnel and budget. Smaller foreign ministries result in less specialization amongst island officials. Due to its larger size and greater financial capacity, the U.S. is characterized by greater specialization. The U.S. allocates specialists to manage a given issue, whereas PICs rely upon generalists to get work done. Where one PIC official must lead on ten different issues: for example, one U.S. official leads on each issue. The result is that a PIC official with limited expertise and time works on any given topic. Limited financial and human resources constrain the reach and impact of PIC diplomacy. Finding economies of scale that help resolve the financial and human resource deficits is important.

Alignment represents another challenge for PIC relations with the U.S. Broadly speaking, PICs and the U.S. are often misaligned regarding the issue of

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<sup>45</sup> Quoted in "A monumental win for American Samoa's tuna industry on the 125th Anniversary of Cession," *Samoa News*, April 17, 2025, [online](#).



traditional security matters, particularly regarding with China's increasing military and intelligence presence in the Pacific and what Pacific Island states tend to prioritize: the non-traditional security concern of climate change. While the U.S. has avoided asking PIC countries to choose between the PRC and the U.S., Washington obviously prefers the PICs side with the U.S. The three COFA states have made choices. Most of the other PICs insist they are 'friend to all, enemy to none.'<sup>46</sup> Secretary of Defense, Pete Hegseth, has signaled a possible sea-change in the U.S. approach to the Pacific saying "It is prudent for us to work with allies and partners in the Pacific to ensure deterrence through hard power—not just reputational deterrence, but real military deterrence".<sup>47</sup> With few statements coming from the State Department, one is left to conclude that this may be the sole focus for the second Trump administration.

The PICs and the U.S. remain misaligned over climate change. The U.S. is the second-largest emitter of CO<sub>2</sub>. During the first Trump administration, the U.S. withdrew from the Paris Agreement on climate change, much to the chagrin of the PICs. The Biden administration returned the U.S. to the Paris Agreement and was more outspoken on action on climate change. In 2023, Janet Yellen, Biden's Treasury Secretary, announced \$3 billion for the second replenishment (2024-2027) of the Green Climate Fund.<sup>48</sup> In 2025, the second Trump administration announced it would rescind that as well as earlier pledges to the Fund.<sup>49</sup> Where Biden and Trump administrations would likely agree is on opposing Vanuatu's case on climate change currently before the International Court of Justice.<sup>50</sup>

Effective diplomacy can help address some of the misalignments between the PICs and the U.S. Undermining this, however, are the internal misalignments that make it harder for PICs to take collective action with the U.S.

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<sup>46</sup> Sakai, Moses, "Can the Pacific Islands remain 'friends to all'?" *The Asia Times*, January 18, 2024, [online](#).

<sup>47</sup> Haines, Tim, "Defense Secretary Pete Hegseth To NATO: 'President Trump Will Not Allow Anyone To Turn Uncle Sam Into Uncle Sucker,'" *Real Clear Politics*, February 13, 2025, [online](#).

<sup>48</sup> "Announcement of Pledge to Second Replenishment of the Green Climate Fund," *U.S. Department of the Treasury*, December 2, 2023, [online](#).

<sup>49</sup> Mathiesen, Karl, "Trump rescinds \$4B in US pledges for UN climate fund," *Politico*, February 5, 2025, [online](#).

<sup>50</sup> Aronoff, Kate, "Biden and Trump Agree on One Thing: Zero Accountability," *The New Republic*, December 6, 2024, [online](#).



The three COFA are strategically aligned and rely on the U.S. military for their defense. Whereas in 2022, the Solomons signed a security pact with China. Fiji (2013), the Solomons (2022), Kiribati (2023), Samoa (2022), and Vanuatu (2004) have non-transparent policing agreements with China. This has the potential to bring an intelligence presence into their states as the Public Security Bureau of China is an internal security agency in charge of counterespionage. Tonga, Fiji, and PNG soldiers have been trained in the PRC since 2000.

Reflecting the PICs “friends to all” approach, four Pacific security forces accept training from the U.S., in addition to their longstanding arrangements with Australia, New Zealand, and in the case of Fiji and Tonga, the UK. The U.S. National Guard trains Tongan (2013), Fijian (2018), PNG (2020) and Samoan (2023) security forces through the State Security Program.<sup>51</sup> In 2023, the U.S. signed a military cooperation agreement with PNG. The U.S.-PNG Defense Cooperation Agreement (DCA) expands joint military exercises, grants U.S. forces greater access to PNG’s airfields and seaports. The DCS also comes with defense infrastructure improvements and greater maritime security cooperation.<sup>52</sup>

There are also differences in the Pacific around undersea mining, pitting Kiribati, Cook Islands, and Nauru against PNG, Palau, and Samoa.<sup>53</sup> (The U.S. had no official position on undersea mining until President Trump’s executive order, *Unleashing America’s Offshore Critical Minerals and Resources*, declaring “...United States leadership in seabed mineral development”.<sup>54</sup>) As for tuna, not all PICs are parties to the Nauru Agreement.<sup>55</sup> Finally, the recent dispute between Micronesian countries and their Melanesian and Polynesian

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<sup>51</sup> Wallis, Joanne, Quentin Hanich, Michael Rose and Alan Tidwell, “Australia and the United States’ defence diplomacy,” *Power and Influence in the Pacific Islands*, (eds.) Joanne Wallis, Henrietta McNeill, Michael Rose and Alan Tidwell, Routledge, 2025.

<sup>52</sup> U.S. Department of State. *The United States and Papua New Guinea Sign Defense Cooperation Agreement*, May 22, 2023, [online](#).

<sup>53</sup> Wright, Stephen, “Deep-sea mining tussle highlights divide among Pacific island nations,” Radio Free Asia, July 20, 2023, [online](#).

<sup>54</sup> “Unleashing America’s Offshore Critical Minerals and Resources,” Presidential Executive Order, White House, April 24, 2025, [online](#).

<sup>55</sup> “These Pacific islands have an innovative scheme to prevent overfishing in their waters,” World Economic Forum, June 26, 2021, [online](#).



cousins over leadership of the Pacific Islands Forum underscores the subregional tensions.<sup>56</sup>

The Pacific Islands Forum (PIF) presents one, if not an imperfect, option for collective action. A PIF delegation in Washington could help address the financial and human resource challenges by delivering economies of scale. Of course, internal misalignments on such issues as deep-sea mining will hamper such a collective effort.

Diplomatic recognition of the PIF requires inclusion under the U.S. International Organizations Immunities Act before a permanent PIF presence in Washington can be established. In 2024, the U.S. House of Representatives passed the Pacific Partnership Act, which would have extended diplomatic recognition to the PIF. Unfortunately, the U.S. Senate did not act on the legislation before the 2024 elections. With the new congress in place, the negotiation process must start anew. With diplomatic immunity in hand, the PIF could have nominated an ambassador to Washington with the beginning of the second Trump presidency. This would have greatly facilitated relationships between Washington and the PIF in Suva. A robust PIF presence in Washington could also reduce reliance on Australia and New Zealand to promote Pacific Island diplomacy.

In the meantime, the PIF should assemble a fund to subsidize PIC missions in the U.S. A travel fund would allow ambassadors accredited to both the UN and the U.S. to travel regularly to Washington to represent their national interests.

Australia and New Zealand will continue supporting PIC engagement with the U.S. legislative and executive branches. PNG, Palau, RMI, FSM, and Fiji all have embassies in Washington. Perhaps consideration could be given to shared office space through which meetings and other consular activities could occur.

Separate from cross-Pacific issues, the bilateral relationship between PNG and the U.S. is at an critical point. The two countries have concluded a Defense Cooperation Agreement, which could pave the way for greater alignment. Of course, it remains to be seen whether the deepening bilateral relationship will survive future changes in the U.S. or PNG governments. Under the first Trump administration, the U.S. agreed to support the electrification of PNG, along with

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<sup>56</sup> "PIF ratifies Suva Agreement," *Island Times*, July 15, 2022, [online](#).



Japan, Australia and New Zealand. The electrification project has made slow progress. The U.S. should nurture its bilateral engagement with PNG by encouraging greater diplomatic connection between the two capitals. Equally, PNG's leadership should do more to build relationships in Washington.

## Conclusion

Since the launch of the U.S. Indo-Pacific strategy under the first Trump Presidency, U.S. engagement with the PICs has been built on a “wink and a nod.” Washington winks when it claims its motivations aren't solely focused on China, while the PICs nod, fully aware that China is the main concern. Washington's renewed interest in the PICs appears driven chiefly by China's growing military and intelligence presence—along with hybrid warfare activities—in the Pacific. The U.S., as a Pacific power with its own territorial interests, has nonetheless under-invested in the region for decades, often deferring its strategic thinking to Australia.

Meanwhile, the PICs have continued to emphasize non-traditional security issues such as development and climate change, showing limited enthusiasm for great-power rivalries. However, China's 2024 missile test in the Pacific, its 2025 combat exercises in the Tasman Sea, and its 2022 attempt to establish a China-centric strategic order have begun to reshape perceptions. In response, Australia, New Zealand, the U.S., and several of the PICs are increasingly finding common ground.

The first Trump administration and the Biden administration did not insist PIC leaders make a choice between Beijing and Washington. The second Trump administration has yet to make clear its views on the Pacific. Halting foreign assistance and imposing tariffs on the PICs will be unpopular. Yet, the Trump administration's socially conservative anti-woke agenda might more closely align with the conservative, patriarchal, Christian views of some Pacific leaders.

In the meantime, Pacific Island diplomats can expand their impact felt in the U.S. In pursuing their national interests, PICs must maximize their opportunities by building and maintaining relationships with American stakeholders. Investing in making those relationships takes time and money, however. Australia and New Zealand have a vested interest in supporting Pacific Island engagement in the U.S. After all, while Australian and New Zealand diplomats facilitate links between the U.S. and Pacific Island diplomats, they also promote



their relationships in the U.S. Of course, there are limits to what Australia and New Zealand can do. Consular services can only be carried out by the relevant country representatives. COFA states and the U.S. maintain strong foreign relations built on a solid foundation. Fiji enjoys robust economic ties with the U.S., so it also occupies a favorable position. In contrast, the remaining Pacific Island countries face more significant challenges.

The future of U.S. engagement in the Pacific under the new Trump administration will be unlike the Biden administration. The entirety of cost-cutting and reorganization of foreign assistance has yet to be realized. How the Trump administration will choose to engage in the Pacific remains a mystery. Will the Trump administration insist that PIC countries choose between Washington and Beijing as a prerequisite for funding assistance? This would be a foolish step. Better to have an ambiguous relationship with an island country, rather than no relationship at all.

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