THE PACIFIC ISLANDS REGION IN THE POST-COLD WAR ORDER: SOME THOUGHTS FROM A DECADE LATER

*Richard Herr**

This paper offers an analysis of the post-Cold War order in the South Pacific by reviewing the changes that have occurred over the dozen years since the fall of the Berlin Wall. The starting point for this review is a set of predictions made by the author in late 1990. Looking back on just over a decade of experience, it is clear that the end of the Cold War did not change everything. Existing forces have been joined by new forces and new events to shape the current state of the region. Expectations that the post-Cold War order would place much higher demands on microstate sovereignty in the Pacific Islands have proved to be correct. However, the very process of further marginalising this peripheral region has mitigated the apparent impact of political changes. The post-Cold War order has not so much redirected Pacific Islands' priorities as it has left them to their own, inevitably limited, devices – at least until September 11th 2001.

———

L'auteur, reprend un certain nombre d'hypothèses de travail qu'il avait eu l'occasion de formuler vers la fin 1990, sur les conséquences éventuelles dans le Pacifique Sud de la chute du Mur de Berlin et de la fin de la guerre froide. Il propose au lecteur un bilan de la situation actuelle. S'il constate que la redéfinition des alliances étatiques a pu être un facteur d'émancipation pour quelques petits Etats insulaires du Pacifique Sud, il relève aussi que d'une manière générale sur une période de dix années environ, on a plutôt assisté à un phénomène de marginalisation de ces Etats. De surcroît, ne disposant que de moyens financiers et de ressources humaines souvent limités, ils ont été livrés à eux-mêmes jusqu'au 11 septembre 2001, date d'une nouvelle redéfinition des rapports internationaux.

In late 1990, a year after the fall of the Berlin Wall, I wrote a paper to speculate on the likely consequences for the islands of the South Pacific of the end of the Cold War.[1] I was tempted recently to return to the conjectures I offered then to see if the re-ordering of global

---

1 Rubenstein, D H (ed) (1992), 'South Pacific Microstate Sovereignty in the Post-Cold War Order: The Day After Waterloo?' in *Pacific History: Papers from the 8th Pacific History Association Conference*. Guam: University of Guam Press.

society has taken the region down the paths anticipated more than a decade ago.[2] Revisiting predictions made so long in the past could have been a high-risk enterprise (especially as there were so few straws in the wind as to where the world's new international structure was going to go). However, there were some limitations on my liability. The certainties of the old order clearly were disappearing even in 1990, thus insuring that some things would have to be different a decade or so later. Moreover, equally, it was clear in 1990 that not everything would change because many aspects of South Pacific affairs were unconnected to the Cold War or its effects. Thus, I began the present exercise knowing that I would not be as accurate in foresight as in hindsight but also that I need not expect to be hopelessly and entirely inaccurate. I was aware too that I had a further cushion against abject failure in that I was fairly confident that the present reviewer, at least, would exhibit a reasonably generous spirit in assessing my analytical shortcomings!

While this analysis begins with the expected course of the post-Cold War order from the vantage of 1990, I do want to go beyond the limits of a mere critique of my own blinkered assessments of years gone by. A great deal has changed beyond even the most fanciful of speculations a decade ago. The inertia of old forces have been joined by new forces and new events to shape the current state of the region. These should form a part of my assessment. Finally, I want to consider where the last decade has pointed the Pacific Islands region for the future. This will necessarily entail some speculation about the impacts of a new international order that still is so undefined it refuses to be named by anything other than a 'post-' designation.[3] However, to make this package of objectives manageable I will focus primarily on the regional impacts of the past decade of global restructuring.[4]

I   THE ISLANDS AND THE COLD WAR – A BRIEF REFRESHER

The Cold War began when the Soviet Union began acquiring an empire in Eastern Europe in the late 1940s, undermining an effective wartime coalition with the Western allies against the Axis powers. As an 'iron curtain' dropped across Central Europe and the Western powers responded, four principal characteristics of what was to become the Cold War order emerged:

- ideological rivalry as a core element in the foreign policy of the major international actors, surpassing even economic advantage as the primary indicator of national interest;
- bipolarity based around the military leadership of one of the two superpowers;
- development of opposing institutionalised, peace-time alliance systems; and

---

2   An invitation to participate in a joint seminar series convened by the Center for Pacific Islands Studies (University of Hawaii) and Pacific Islands Development Program (East-West Center) provided the 'temptation'. An earlier version of this paper was presented to this seminar, perhaps appropriately, on April 1st 2002.

3   Unfortunately, an early phrase that showed some promise as a descriptor – 'new world order' – became almost impossible to use when former US President George Bush appropriated the term to assert American hegemony in the new pattern of global relations.

4   The geographic region known variously as 'the South Pacific', 'the Pacific Islands' or 'Oceania' is defined in this paper by the ambit of the Pacific Community (formerly known as the South Pacific Commission).

- the failure of United Nations' hierarchically structured approach to international agenda-setting due to the rival superpowers' stand off and the deadlocking of the Security Council.

The South Pacific region might be said fairly, but coincidentally, to have acquired 'self-awareness' as a political entity from about the time that the Cold War began. The Pacific Islanders began participating in regional affairs effectively from the first South Pacific Conference in 1950. The two developments were not particularly linked, certainly in any causal sense, but the bipolar rivalry of the Cold War did have an impact on the region both directly and indirectly. Some of the more important examples of Cold War reverberations in the South Pacific included:

- the nuclear testing programmes of the Western powers in the region;
- the UN debates over the management and ending of UN Trusteeships in the Pacific;
- ANZUS reactions to the establishment of Soviet [but, significantly, not the People's Republic of China (PRC)] diplomatic representation in the region;
- the extension of the general Western policy of containment [locally known as 'strategic denial'] from the mid-1970s;[5]
- the use of aid – particularly in 1976, 1980, 1984 and 1987 – to promote strategic denial;
- the sensitivity of Western powers to naval access concerns in and through the region;
- a backlash to 'Soviet surrogate' activities in the region in the 1980s;
- the perception of a nexus between individual state interests and broader alliance interests [e.g. fishing and land claims].

From the contemporary vantage point, it is possible to put the strength of these impacts into a more balanced perspective than occurred at the time in some quarters. The evidence is undisputable today that the overwhelming effort, in terms of managing 'strategic denial', fell largely to the ANZUS powers and, even here, especially on Australia and the US. Ironically, the perception of this burden fell more heavily than the circumstances probably required in fact. There is little evidence that the USSR actively pursued access to the region even though it was certainly willing to accept serendipitous opportunities.[6] The difference in perceived advantage was recognised at the time but the Western allies were caught in something of a strategic bind. They held the political high ground in a region that had no real capacity to add further to Western security. As a result, any change within the region could be perceived as degrading the Western position. Thus, those strategic analysts seeking signs in the regional tea leaves could always find a pretext for concern. And, as noted above, enough grounds were found to play the 'Soviet card' in the South Pacific by one side or another if wanted.

---

5   I adapted the term 'strategic denial' for use at the regional level in the early 1980s based on the compact negotiations between the US and the Micronesian entities where it was used to seek compensation for the exclusion of third parties. The regional implications of the application of containment were set out in my 'Regionalism, Strategic Denial and South Pacific Security', *Journal of Pacific History*, XXI (1986), pp. 170-182.

6   R C Kiste and R A Herr (1986), 'The Potential for Soviet Penetration of the South Pacific Islands: An Assessment' in *Bulletin of Concerned Asian Scholars*, XVIII, April-June, pp. 42-61.

However, the possibility that extra-regional powers might be moved to pursue relations with the region to aid their strategic interests did not prove that this was their primary motivation. Few, if any, overtly admitted that they offered self-interested security assistance under the banner of development aid. Such justifications might be offered at home to parliamentary or congressional committees as a basis for funding such assistance, but were not made publicly to domestic audiences or overtly in the Islands. Indeed, one of the imponderables at the time was precisely the extent to which Western policies at the regional level were driven by these strategic concerns rather than other, more humanitarian motivations. More than ten years after the end of the Cold War it is possible to assess motivation to some extent by showing which states have altered their relationships with the region and in which direction.

II   THE CONTINUING PROBLEMS

One of the points I sought to make in 1990 was that the end of the Cold War would not mean 'the end of history' or the end of international relations as we had known them. The problems the Pacific Island countries (PICs) had faced during the period from 1962 to 1989 were not entirely a consequence of the structure of the international system.[7] Significant restraints on the national capacities of most polities in the region were not going to disappear just because the balance of power between the two superpowers had changed fundamentally. The geographic features of small-scale insularity, which besets all the region's states except Fiji and Papua New Guinea, are enduring. These circumstances impose some very real and intractable burdens on the Pacific Island countries, including:

1) diseconomies of scale;

2) high levels of vulnerability; and

3) an extreme asymmetry in external relations.[8]

The small populations and dispersed geography of most countries not only prevent the achievement of economies of scale; they actually impose diseconomies on these states in seeking to meet the normal claims of their citizens for goods and services.[9] These same geographic and demographic factors make the South Pacific polities vulnerable to natural and man-made disasters to a magnitude scarcely measurable on the scale of most other countries. And, thirdly, they ensure that virtually any of the PICs' external relationships will put the Islands' polities substantially in the weaker power position.

---

7   This period represents the start of independence in the region, with Samoa's separation from New Zealand as a United Nations Trusteeship in January 1962, and ends with the fall of the Berlin Wall in October 1989.

8   This matter raises the methodological issue of how many facets of a relationship must be considered in order to assess adequately its asymmetry. For example, Australia's involvement with the Islands is certainly more complex than, say, the Islands' with Japan or the United States. It may be less complete, however, than New Zealand's. It would be a neat problem to determine which set of these several relations is the more asymmetrical.

9   Only three polities, Guam, Nauru and Niue, of the 22 countries within the ambit of the SPC are not archipelagoes.

All of these factors (as well as other, individual concerns of the various PICs) have served as sufficient justification for substantial development assistance. There is no need for a strategic rationale to explain the legitimate development assistance given for capacity building and capacity augmentation in the region in recent decades. The issue is not so much that some aid was clearly going to be forthcoming during the Cold War era, but rather the extent to which the levels and sources of such assistance were distorted in favour of the PICs by Cold War-related priorities. From the perspective of the present day, the collapse of the Cold War has made it clear that there were significant distortions in the pattern of aid distribution in the South Pacific during that time.

III   THE POST-COLD WAR ORDER – DEVELOPMENTAL AID CONSEQUENCES

Perhaps the strongest aspect of my 1990 predictions about the post-Cold War order in the South Pacific was to be found in the expectation that the international community would allow the PICs less latitude in meeting their state responsibilities. The end of ideological rivalry as a significant organising principle for global politics certainly does appear to have made for more pragmatic assessments by the world's powers. This shift in emphasis has been demonstrated palpably with regard to their aid relationships with the PICs by a number of key developments during the 1990s along two dimensions:

- Political 'visibility' no longer was as desired by extra-regional interests as before and therefore would not attract a development assistance premium. Evidence for this could be seen in, *inter alia*:

    * Russia closing the Soviet Union's hard-won Port Moresby embassy within a few years of its opening;

    * the US closing its Honiara mission and Suva aid office; and

    * the UK withdrawing from the SPC but rejoining again in 1997 (only to announce an end to bilateral aid in favour of multilateral aid).

- Economic justifications for aid would be viewed more critically in terms of relative need and the likely consequences of the assistance given. Thus, donors:

    * have tended to relate regional aid priorities more to a global standard of 'human misery';

    * have tended to give less automatic deference to local judgments of economic priorities in favour of their independent assessments (augmented by local views); and

    * have wanted more reliance on liberal (market) forces to be involved in development assistance and planning.

Underlying these changes in perceptions has been a 'demand' that the PICs live up to more traditional expectations of state responsibility with few allowances for their inherent limitations. The primary cause seemed to be the perceived failure of many PICs to achieve expected development outputs from the high levels of aid inputs. This issue became the subject of open donor state concern early in the 1990s but especially after a 1993 World Bank

report coined a name – the 'Pacific Paradox' – to describe the problem.[10] Proponents of the Pacific Paradox thesis asserted that the experience elsewhere demonstrated that high per capita levels of aid to the Pacific Islands had returned unacceptably low rates of economic growth generally across the South Pacific. While the thesis itself has been disputed, action to remedy its symptoms was accepted by the South Pacific Forum (now the Pacific Islands Forum). The 1994 Forum meeting in Brisbane agreed to address a new agenda of economic reform emphasising a greater role for the private sector and more attention to sustainable resource management. Although subsequent Forums and Forum Economic Ministers' Meetings have reconfirmed the shift toward economic rationalism, the mechanisms by which it can be implemented have been far from agreed despite an Action Plan to secure greater public financial accountability and to introduce measures to counter fraud and corruption. As a consequence of this change in attitudes, it might be said that aid 'productivity bonuses' have become linked negatively to economic performance. A failure to achieve the economies in national administration perceived by donors to be necessary may cost the PIC recipients some proportion of their current aid. Moreover, the freedom to decide their own internal priorities for utilising aid funds may be tied (at least loosely) to securing economic growth.

The PICs appear to have come to accept during the 1990s that aid levels would be held under a tighter rein and that donors would be more active in asserting their interests. Donors certainly have become less reticent to being more directly involved in their aid activities over the past decade, with tied project aid tending to gain favour over untied grant assistance. One of the more spectacular signs of the changing donor attitudes at the regional level was the decisions by both Australia and New Zealand to assert their rights as members of the SPC to propose candidates for the office of Secretary-General in 1995. For a quarter century, conventional practice held that this position should belong to a PIC candidate. However, growing criticism of administrative laxity within the Secretariat by the non-PIC members of the SPC from the late 1980s had prepared the ground for the 1995 challenge. The new sentiment of pragmatism made it (just) politically palatable. As the largest single aid donor, it may not have been surprising that Australia won the position but it was noteworthy that the Australian candidate, Bob Dun, was a former head of AusAID, the Australian aid agency. Dun came into the organisation with an agenda for promoting financial responsibility and he pursued it successfully over a four-year term, transforming the SPC's procedures and activities.

The tone set in the SPC under Dun was not confined to that organisation. It had been insinuating its way through the entire regional system of the South Pacific during the 1990s. The South Pacific Organisations Coordinating Committee (SPOCC) began a process in the early 1990s of strengthening the institutional efficiency among its eight member organisations. The first significant effort in this direction was an attempt at institutional demarcation and restructuring in the very important marine sector.[11] Although it was unable to achieve consensus on demarcation in all areas, the review did advance some areas of

---

10   The World Bank (1993), *Pacific Island Economies: Towards Efficient and Sustainable Growth.*

11   See S T Tupou et al. (1995), *Review of Regional Institutional Arrangements in the Marine Sector Report.* Suva: South Pacific Organisations Coordinating Committee, August.

inter-institutional demarcation and point up directions for reducing wasteful duplication in programmes and activities amongst the SPOCC agencies. Included in these recommendations were some to enhance SPOCC itself as a coordinating mechanism to assist in achieving inter-agency efficiencies.

In ensuing years, the SPC and South Pacific Forum undertook full institutional reviews of their secretariats with similar aims. As a consequence, administrative efficiencies and further rationalisation of their activities occurred in order to streamline their programmes and their budgets. Broadly, these improvements worked to strengthen both the SPC and the Forum Secretariat with tighter administrations and more effective work programmes. However, their success has put even greater pressures on other SPOCC agencies to achieve similar rationalisations.[12] Regrettably for the agencies concerned such options may not be as easy to arrange. The South Pacific Applied Geoscience Commission (SOPAC), the South Pacific Tourism Organisation (SPTO) and the Forum Fisheries Agency (FFA) all have different reasons for a common difficulty – keeping afloat. Both SOPAC and SPTO have experienced financial limitations in recent years that jeopardise their institutional continuity. However, for SOPAC this problem appears seriously intractable. The FFA has found the location of its headquarters in the strife-torn Solomon Islands increasingly a handicap especially in the face of the complex, politically-fraught and hugely important Multilateral High Level Conferences on the Conservation and Management of Highly Migratory Fish Stocks of the Western and Central Pacific (MHLC). The pressure from aid donors for more effective organisations may well be keeping the pressure for further institutional rationalisations alive in these circumstances.

IV   THE POST-COLD WAR ORDER – GOVERNANCE CONSEQUENCES

Given the renewed emphasis on state responsibility in the post-Cold War order, the role of governance was always going to be an important issue especially as failures in financial obligations often stem from weaknesses in governance. As noted above, reform of the regional system involved seeking efficiency gains through administrative reform. These ranged from core governance concerns through efforts to insure greater transparency and accountability in the regional secretariats. It is genuinely difficult to discern, however, which is cause and which is effect in contemporary South Pacific regional affairs. I have treated the economic effects first in large part because this is where the visible pressures have occurred. However, this is not to say that governance issues have been advanced primarily as a political means to an economic end. This may be true for some donor agencies but there is a parity of priority between the two issues in the minds of many others. Perhaps the critical distinction is that governance concerns have been concentrated at the state level over much of the 1990s rather than at the level of the regional organisations although they too have not escaped entirely unscathed.

Coups and civil strife across Melanesia have drawn global notice to the break-down of state governance mechanisms but lesser problems elsewhere in the region have helped to reinforce images of an 'arc of instability' extending from the South Pacific through

---

12   SPOCC is now known as the Committee of Regional Organisations of the Pacific (CROP).

Indonesia.[13] While external views of the Pacific Islands have been tarnished by domestic instability, the damage has not been imposed solely from without the region. One of the more interesting taboos in the Cold War era was broken in the early 1990s when the two regional monthly news magazines – the *Pacific Islands Monthly*[14] and *Island Business News* – began routinely to report on the seamier side of Island life. Themes such as organised crime, money laundering, drugs and official corruption started to appear as regular features in journals that had ignored these topics for years as somehow outside the norms of the 'real' Pacific Islands. The idea that it was a state responsibility to control crime effectively, and that failure to do so was a clear risk to other PICs and extra-regional states, finally became acceptable in the 1990s.[15]

This is not to claim that the regional role in governance should be minimised. I did not address this aspect of the issue as fully in 1990 as I now believe I should have. The regional organisations have been scrutinised severely during the 1990s primarily in the areas of economic responsibility and accountability, as well as for improvements in aspects of their governance. Any political dimension has been a low-key assertion of extra-regional members' right of fuller participation in governance and policy. A more important oversight on my part was the inadequate attention given in 1990 to the role that regional organisations could play in dealing with state governance concerns. I accepted too readily the goodwill of the Forum's membership to do what they could to assist each other with their governance problems. I did not foresee the enormous increase in demand there would be for more assistance with internal conflict resolution or for dealing with inter-state crime. The Pacific Islands Forum has not served the region as well as it might have done as an arena for addressing serious internal conflicts such as those in Bougainville, Fiji and the Solomon Islands. This has not really changed despite the increase in conflicts needing precisely the good offices that the Forum should be able to provide. Moreover, the level of cooperation needed to coordinate efforts against organised crime does exist to a noteworthy degree through bodies such as the regional meetings of Commissioners of Police and the Customs Heads of Agency Regional meetings. However, these appear to be autonomous arrangements with only limited linkages back to the Pacific Islands Forum standing committee dealing with security issues.

V   THE POST-COLD WAR ORDER TAKES SOME UNEXPECTED TURNS

Predicting some continuity of issues and some greater pragmatism in the wake of a less ideologically motivated world were not especially difficult even in 1990. However, I believe I scored less well in some of my other projections. It is time now for a more serious *mea culpa* or two. In particular, I believe that I overemphasised the likely importance of some of the

---

13   It is arguable that it has been the much greater risks in Indonesia and East Timor that have created this image of an 'arc of instability', thus raising the public apprehensions about the Pacific Islands more than is warranted.

14   Unhappily, the venerable and historically significant *Pacific Islands Monthly* was unable to survive the very instability it reported and ceased operations as a result of the May 2000 coup in Fiji.

15   D Ranmuthugala (2001), 'Security in the South Pacific: The Law Enforcement Dimension' in *Revue Juridique Polynésienne*, special edition, pp. 171-89.

broader trends particularly in the transition from bipolarity to multipolarity. On the other side of the ledger, I clearly underestimated the impact of other trends. Modesty encourages me to treat these briefly.

The effects of a more hierarchically structured international politics have yet to become a factor in the South Pacific despite clear evidence of its influence in other parts of the world. Indeed, the few examples to date of the use of asymmetrical power in setting the international agenda have been rather to the contrary of my expectations in issue areas of concern to the South Pacific. Two glaring instances come to mind during the 1990s:

- the decision to broaden the UN Conference on Straddling Fish Stocks to include Highly Migratory Fish Stocks at the request of the FFA's Island membership; and

- the decision to admit the Micronesian states to UN membership despite the constraints on their exercise of sovereignty through the Compacts of Free Association with the United States.

These examples may not be all that serious, however. The problems such as those in Iraq, Somalia and Afghanistan where the global hierarchy has been most in evidence (mainly through the UN's Security Council) are not the level of conflict we would wish to see in the Pacific Islands. Indeed, sometimes a lower profile is a happier profile. Furthermore, being on the periphery of global politics ensures that there will be relatively few occasions where global priorities will collide with regional ambitions.[16]

I expected in 1990 that the increasing incidence of multipolarity (with the collapse of the Cold War's bipolar system) would put a greater emphasis on such developments as:

- the 'macro-regionalism' of the Asia-Pacific processes and institutions, particularly the development of the Asia Pacific Economic Cooperation (APEC) arrangement;

- the need to adjust to the emergence of Japan as a more active claimant to global Great Power status; and

- a jockeying for hegemonic influence in the new regional centres of power.

Other events have overtaken these developments in the Pacific in the years since 1990. The Asian economic meltdown slowed the dynamism of APEC as did the teething problems of working through institutionalising cooperation amongst APEC members' many diverse interests. This is not to say that this macro-regionalism will not yet come to play a substantial role in South Pacific regionalism. Rather, this development will emerge a bit further in the future than I expected. Thus the need for the Pacific Islands Forum to engage with it has not been as evident as I thought might be the case a decade ago. Where this has had a direct impact has been through the MHLC. Asian interests have had a significant 'power' effect

---

16 It might be argued that the issue of sea level rise is a clear case of the region's concern being undervalued in international priorities. However, the argument here is far more complex than merely a contest between South Pacific regional priorities versus global priorities. Low-lying states around the world share the South Pacific's anxiety on the issue. Moreover, given the Australian position on the Kyoto Protocol, the 'regional' view [i.e. that of the Forum membership] is itself divided.

here in terms of the development of Asia Pacific regional arrangements. Japan's global aspirations are real, but events elsewhere as well as its own economic concerns have made that country less of a regional factor than I expected. The jockeying for hegemonic influence in the regional arenas of the new multipolar world system has gone rather as forecast in 1990, with the PICs proving largely irrelevant to this contest in the Asia Pacific arena. If there were any surprises for me, it was the prominence that Taiwan has had, particularly in its ill-fated adventure in attempting to 'displace' the PRC in PNG in 1999.[17]

One issue that I all but ignored in 1990 was the dismantling of Cold War alliance structures. While aware of this consequence, I did not see it as being especially significant in the South Pacific even though its impact in Europe would be dramatic. Of course, disassembling the institutions that gave the Cold War its characteristic rigidity could not be as central a feature in the Pacific as in Europe since these structures were less well developed here. Nevertheless, there were some epicentral ripples in the region arising out of the global processes. Arguably, they have included the downsizing of US military facilities in Micronesia and the ending of French nuclear testing at Mururoa. However, more surprising to me has been the obverse of this coin in our region. ANZUS has not been not dismantled despite the failure to find a new mission for it [as NATO has managed to do in Europe] and the failure to re-integrate New Zealand into the ANZUS fold. The common non-Pacific interests of Australia and the US as well as the inertia of old structures help to explain this continuity of 'containment' arrangements that are well past their use-by dates.

VI   CONCLUSIONS OR A NEW PROLOGUE FOR POST-SEPTEMBER 11th?

Looking back on just over a decade of experience, it appears to me now that it was quite correct to expect the post-Cold War order to place much higher demands on microstate sovereignty in the Pacific Islands. Any shift to more pragmatic foreign policy-making was bound to make extra-regional powers less tolerant of state lapses in the region. The post-Cold War premium on political and economic responsibility has meant less forbearance amongst outside powers for perceived PIC 'mistakes'. To some extent, however, the very process of further marginalising this peripheral region has mitigated the apparent impact of the political shift. The costs for the PICs might well have been exorbitant in terms of the free exercise of their autonomy if Cold War levels of interest had been maintained. As it is, the competition for influence in the region has declined to a level where criticism is open and plentiful while willing and empathetic assistance has proven relatively scarce. The post-Cold War order has not so much imposed on the region and attempted to redirect its priorities as it has left the Pacific Islands largely to their own devices. For a region that needs help in dealing with the diseconomies of scale, this is probably more than enough of a cost to exact.

The regional consequences of the last ten or so years very much reflect these broader system changes. Economic rationalisation has led some aid donors to press for fewer regional bodies, with more internal responsibility for their work programmes. Within work programmes there has been a demand that regional organisations be more effective and

---

17   For more see J Henderson (2001), 'China, Taiwan and the Changing Strategic Significance of Oceania' in *Revue Juridique Polynésienne,* special edition, pp. 143-55.

efficient both at the administrative and project delivery levels. This pressure has included attempts to incorporate aspects of market forces in the operation of regional agencies, such as the principle of 'user-pays' both for institutional and programme costs. On the plus side of the ledger, the new order has encouraged the use of the regional agencies as agents for representation in macro-regional and global processes, thus helping to validate these organisations more fully in eyes of their donors. This is tending to give these bodies more discretion as institutional 'actors' in their own right, rather than serving mainly as 'arenas' for their members to negotiate regional agreements. Aiding this process has been the further institutional development of CROP (the old 'SPOCC') and its system of committees. There are PIC critics, however, who regard this development less positively since this offers the participating regional bureaucracies a second layer of decision-making somewhat removed from the oversight of their individual memberships. However, the end of the leash on this discretion is more comprehensively held in the hands of donor countries and agencies than at any time since the end of the 1960s. Perhaps the saving grace in this aspect of the new order has been the more genuine sense of partnership felt by donors and recipient agencies in the negotiating budgets and work programmes.

Finally, the events of September 11, 2001 have added a new and totally unpredicted influence on the course of developing a post-Cold War order. The tragedy probably has not 'changed the world forever' despite the hyperbolic claims to this effect. Nevertheless, September 11th has drawn out into the open a fact that has become evident over the past decade. The Gulf War at the start of the post-Cold War era was an aberration. Most threats to international security are coming from civil strife and the actions of non-state actors rather than in the form of inter-state wars. The activities of organised crime and the recent claims of *al-Qaida* links to the Asia Pacific appear likely to draw renewed interest to the need for effective regional cooperation mechanisms in the Pacific Islands. For the moment, it would be premature to forecast a heightened saliency for the region in global affairs comparable to the latter stages of the Cold War. However, the region's role in global drug smuggling and money laundering activities does give a more sinister appearance to these existing blots on the regional copybook. They also make it likely that countervailing action will be demanded. Unhappily, the Pacific Islands region may be about to be nudged a little more away from the periphery and a little more toward the centre of a new, and more dangerous, global system.