

THE STRATEGIC IMPORTANCE OF THE PACIFIC ISLANDS

HEARING BEFORE THE SUBCOMMITTEE ON ASIA, THE PACIFIC, CENTRAL ASIA, AND NONPROLIFERATION OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTEENTH CONGRESS

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THE STRATEGIC IMPORTANCE OF THE PACIFIC ISLANDS

Wednesday, October 20, 2021

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA, THE PACIFIC,
CENTRAL ASIA AND NONPROLIFERATION
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:28 a.m., via Webex, Hon. Ami Bera (chairman of the subcommittee) presiding.

Mr. BERA. The Subcommittee on Asia, the Pacific, Nonproliferation will come to order.

Without objection, the chair is authorized to declare a recess of the committee at any point and all members will have 5 days to submit statements, extraneous materials, and questions for the record, subject to the length limitation in the rules.

To insert something into the record, please have your staff email the previously mentioned address or contact full committee staff.

Please keep your function on at all times, even when you're not recognized by the chair. Members are responsible for muting and unmuting themselves, and please remember to mute yourself after you've finished speaking.

Consistent with remote committee proceedings of H. Res. 8, staff will only mute members and witnesses as appropriate when they are not under recognition to eliminate background noise.

I see we have a quorum and will now recognize myself for 5 minutes of opening remarks.

I want to thank our witnesses and the public for joining us today and for their patience as we work through a few technical difficulties to get this hearing started.

This is important hearing focused on the strategic importance of the Pacific Islands. In advance of today's hearing, the Ambassadors from the Federated States of Micronesia, the Republic of the Marshall Islands, the Republic of Palau and Vanuatu submitted statements for the record.

I ask for unanimous consent to enter their statements into the record. Hearing no objections, so stated.

The United States has a long history of friendship and intertwined fate with the Pacific Islands, making us both natural partners and friends.

Indeed, the Pacific Islands are the first stop along the maritime path to the Indo-Pacific, one of the most economically and culturally vibrant regions in the world.

Our special relationship with the Freely Associated States of the Marshall Islands, Micronesia, and Palau have defined our security

and economic presence in the Pacific, serving as an anchor for our engagement in Oceania.

In addition, our people-to-people ties have only deepened over time as Pacific Island communities and the United States have continued to grow and have elevated attention to this important part of the world.

The unique part of the world has incredible ecological and cultural diversity. Made up of some 2.3 million people spread across hundreds of islands, the Pacific Islands comprises an expanse of land that covers some 15 percent of the Earth's surface and its people were some of the first seafarers in the world demonstrating an unrivaled ability to conduct long distance sea travel on open ocean for trade and major migration.

The Pacific Islands also boasts one of the largest ecosystems in the world, making home to vibrant tourism and fishing industries that offer unique contributions to our global economy.

Given all this part of the world has to offer, I was particularly pleased when President Biden addressed the 51st session to the Pacific Islands Forum in August, the first time a U.S. president has addressed the Pacific Islands Forum's leadership meeting.

His presence itself underscores the importance of our friendship. Amid these high points, I would be remiss not to note the Pacific Islands nations also face several acute challenges today, which we must support them in addressing.

First and foremost is the ongoing COVID-19 pandemic. The region has been hit hard by the coronavirus, resulting in strained healthcare resources and an economic downturn through the impacts on the tourism industry.

Pacific Islands countries also continue to bear the brunt of the impacts of global warming. With half of the small Pacific Islands population living within one kilometer of rising sea levels cause an existential threat to the region and its people.

The region has also seen increasingly frequent tropical cyclones, floods, and other climate-related disasters, which have only further devastated communities and the economy. These challenges are an opportunity for the United States to demonstrate the strength of our friendship.

I am glad that the United States has delivered vaccines and humanitarian aid to the Pacific Islands. But we must continue to help during these challenging times.

We must also support the region in its response to climate change, and we need to move boldly toward our 2050 net zero carbon emissions pledge and toward investing in climate adaptation for Pacific Islands countries.

While the Pacific Islands are at the forefront of confronting the existential threat of climate change, we must stand with them in response as it is a global challenge that affects us all.

Finally, promptly renewing the Compact of Free Association must be a central part of our engagement with Oceania. The compacts are currently scheduled to lapse for Micronesia and the Marshall Islands in 2023 and for Palau in 2023.

I urge the Biden administration to prioritize these negotiations and to listen to our partners' needs.

I'm also proud to say that we have taken significant steps in Congress toward turning several of these goals into reality. Earlier this year, I introduced the Honoring Oceania Act with Representative Don Young, which elevates the Pacific Islands in U.S. foreign policymaking by delivering a more robust diplomatic and development commitment to the region.

I'm also an original co-sponsor of Rep. Ed Case's Blue Pacific Act. Ed is my good friend, fellow co-chair of the Pacific Islands Caucus and one of Congress' most vocal champions of the Pacific Islands.

Together, our bills will expand sustainable development and infrastructure projects in the Pacific Islands as well as U.S. diplomatic and peaceful presence in the region.

With today's hearing, I hope our friends in the Pacific Islands hear loud and clear that the United States remains committed now more than ever to this crucial part of the world and our panel of expert witnesses will spotlight areas of opportunities and challenges as we continue to work with our friends in the Pacific Islands.

With that, I now yield 5 minutes to my good friend from Ohio, our ranking member, Representative Steve Chabot, for any opening comments he may have.

Mr. CHABOT. Thank you, Chairman Bera, and thank you to the panel who will be joining us here shortly.

While it goes without saying that the Pacific Islands are strategically important, it's critical that Congress and the administration maintain focus on the interests that we share with this region and work to make sure that the U.S. is a reliable partner.

This starts with fully appreciating that the United States is a Pacific power or, as Ms. Paskal's testimony will eloquently put it, that the United States itself is a Pacific Island nation.

These statements are more than just empty platitudes or reminders that Guam and the Commonwealth of the Northern Marianas Islands are part of the United States.

They point to the fact that our Exclusive Economic Zone directly touches Japan's, and if we include the EEZs of the Freely Associated States of Palau, the Federated States of Micronesia, and the Republic of the Marshall Islands, the United States is responsible for maritime territory bordering that of the Philippines, Papua New Guinea, and Indonesia as well.

We're not separated from Asia by the Pacific Ocean. We're connected by it, and the Indo-Pacific isn't on the other side of the world. It's right next door.

The United States' stake in the Indo-Pacific isn't just that of a global steward of freedom, democracy, and security, but also that of a neighbor. Nowhere is this more true than among the Pacific Island States.

The foundation of our partnership was established really during the Second World War when the United States and the Allied power sacrificed so much to free the region from the brutal hegemony of an expansionist imperial power.

Now, 70 years later, the United States is once again seeking to protect our neighbors from a dangerous imperialist state that would prefer to deal with the Pacific Islands as subjects rather than equals.

Of course, nations justifiably resist being treated as pawns in a competition between great powers or basing their status and their relationships on opposition to a third party.

That's not how the United States approaches its relationships with the Pacific Islands and it won't be our policy in the years to come.

U.S. foreign policy toward the Pacific Islands will continue to be rooted in our shared interest, shared values, our people-to-people contacts, and our religious ties in our history of fighting together for freedom.

But we must also acknowledge that the primary threat to these interests comes from the Chinese Communist Party and its ambitions targeting the Pacific.

From infrastructure-related corruption to massive illegal, unregulated, and unreported fishing to the exploitation of unsustainable extractive industries such as logging, the People's Republic of China's engagement in the Pacific Islands all drives toward the same end.

The PRC is trying, and all too often succeeding, at co-opting elected officials for its own ends, enriching its cronies at the expense of local populations, exploiting, extracting material resources, and aggressively expanding its military footprint as part of a larger strategy to regain what the CCP feels is China's rightful historical status as Asia's regional hegemony.

It's essential that the United States gets our policies right. Tens of thousands of Americans gave their lives to free this region because it's vital for U.S. security and prosperity, and while the world has, fortunately, changed a great deal since the Second World War, the strategic importance of the Pacific has only grown.

Fortunately, the United States has plenty of tools available to forge stronger relationships with Pacific Island States. We simply need to take concerted action. For example, that we complete negotiations for a renewed Compact of Free Association with the Freely Associated States.

As the Defense Department works to build a more resilient and distributed force posture in the Indo-Pacific, we should make full use of the compacts as well as Palau's invitation to host an expanded U.S. presence.

Diplomatically, the United States needs to be present in the Pacific Islands and the state Department should continue its efforts to establish a permanent presence in countries like the Solomon Islands.

Economically, the United States needs to ensure that we respond to the needs the Pacific Islands have identified for themselves. The newly associated strategic pilot begun by the state Department and USAID is an encouraging sign.

So, Mr. Chairman, I look forward to discussing these priorities and hearing what other recommendations that this panel might have, and I yield back.

Ms. BERA. Thank you, Mr. Chabot.

Let me now go ahead and introduce our panel and the witnesses.

First, we have Ambassador Judith Beth Cefkin, former U.S. Ambassador to Fiji, Kiribati, Nauru, Tonga, and Tuvalu. Ambassador Cefkin served in the Pacific Islands after a long and decorated ca-

reer in the Foreign Service, including posts as Deputy Chief of Mission in Thailand and Bosnia-Herzegovina.

Second, we have Mr. Jim Loi, former Deputy Assistant Secretary of state in the Bureau of East Asian and Pacific Affairs responsible for the Pacific Islands. Prior to that, he was director of East Asian Affairs at the National Security Council in addition to many other roles in Asia and Pacific affairs in government. Mr. Loi is also a former enlisted U.S. naval officer and he left naval service with the rank of commander.

Third, we have Mr. Alexandre Dayant, research fellow on the Pacific Islands program at the Lowy Institute, where his research focuses on the Pacific Islands, which is—with a focus on economic challenges in the region.

Mr. Dayant also manages the Pacific Aid Map project, which is a premier data-driven project tracing investment flows into the region. We are grateful to him for braving the harsh time difference from Sydney to Washington.

Fourth, we have Ms. Cleo Paskal, nonresident at the Foundation for Defense of Democracies. Ms. Paskal is widely published and regularly engaged by governments globally on issues in the Indo-Pacific.

She is also the author of an award-winning book on the impact environmental and economic changes will have on our global system.

We thank our witnesses for joining us today, and with that, let me call—first call on Ambassador Cefkin for her testimony.

STATEMENT OF JUDITH BETH CEFKIN, FORMER U.S. AMBASSADOR TO THE REPUBLIC OF FIJI, THE REPUBLIC OF KIRIBATI, THE REPUBLIC OF NAURU, THE KINGDOM OF TONGA, AND TUVALU

Ms. CEFKIN. Mr. Chairman, Ranking Member Chabot, members of the committee, I'm honored to appear before you today and I thank you for shining a light on the Pacific Island region.

The Pacific Island nations are our friends, our partners, and our neighbors. The U.S. state of Hawaii is geographically and culturally part of the region, as are U.S. territories American Samoa, Guam, and the Commonwealth of the Mariana Islands, and U.S. Exclusive Economic Zones, as has been mentioned, border those of several Pacific Island countries.

The countries of Oceania may be small in land mass but they are vast in ocean space. The U.S. and the Pacific Island countries share an important history, particularly from the bonds forged through our collective sacrifices in World War Two.

But whereas the threat then came from invading armed forces, if you ask Pacific Islanders to name their top security peril now, the overwhelming response you will hear is climate change.

The region is especially vulnerable to the impacts of global warming, including sea level rise, increasingly violent storms, flooding, drought, and saltwater intrusion.

The Atoll Island countries of Kiribati, the Marshall Islands, and Tuvalu, which exist on narrow low-lying slivers of land, face particularly precarious futures.

To cite just one example of the climate impacts I witnessed in the South Pacific, in 2016, category five cyclone Winston devastated large swaths of Fiji.

Tens of thousands of homes and hundreds of schools were destroyed. Forty-four people were killed, including several children who were literally sucked out of their parents' arms by storm surge.

Given this reality, Pacific Island countries played a key role in the negotiation of the Paris Agreement and attach immense importance to implementation of that agreement. They will be looking for several things from the U.S. and Congress' role will be critical.

One priority is achieving U.S. mitigation goals. The Pacific Island countries are the lowest carbon emitters, yet suffer the biggest impacts. So passing legislation that enables us to meet our emission reduction targets will be important to demonstrating U.S. credibility.

A second priority is climate finance. To avoid catastrophe, the Pacific Islands are looking for robust financing to support mitigation and climate adaptation. Pacific Islanders welcomed President Biden's recent climate finance pledge and will now be watching to see whether Congress delivers.

The Pacific Islands also hope for U.S. support adapting international legal frameworks to better address the consequences of climate change. This includes the question of how to handle climate refugees and how to secure their maritime resource entitlements under the Law of the Sea as they lose land from sea level rise.

The degradation of the marine environment caused by ocean warming and acidification, green pollution, and illegal, unreported, and unregulated fishing—IUU—is another existential threat and one that jeopardizes global commerce and food security.

This gives the U.S. a major stake in helping the Pacific Islands sustainably manage their marine resources. One very important tool in this regard is the U.S. ship rider program that partners the U.S. Coast Guard and Navy with Pacific Island enforcement officials to crack down on IUU fishing. Expanding this effort would be highly advantageous.

Military cooperation has been and remains an important dimension of U.S.-Pacific relations. Appropriately, much of that cooperation focuses on building humanitarian assistance and disaster relief capacity and maritime domain awareness.

This brings me to a discussion of competition with China in the Indo-Pacific. China's expanding presence in the region does raise important questions. But in deciding how we navigate this competition, I would emphasize two points.

One, increased U.S.-China tensions make Pacific Island countries very nervous, observing that when elephants fight, the grass gets trampled. Pacific leaders often stress they do not want to be put in the middle.

This underscores the importance of articulating an affirmative agenda that responds to our island partners' concerns.

Two, the allocation of U.S. military resources to the region must be matched by robust allocation of soft power resources. This should include increased USAID programming and further strengthening our people-to-people ties.

Peace Corps is our biggest asset in that regard. With its low operating costs, Peace Corps is great bang for the buck and should be further expanded in the Pacific.

U.S. educational exchanges such as Fulbright are equally valuable. But while China provides reportedly some 100 training slots per year to Pacific Islanders, we currently fund only a handful. Surely we can do better.

Finally, I will close by emphasizing the importance of senior level engagement. I, too, was very encouraged by President Biden's recent participation in a virtual Pacific Island Forum leaders meeting and I hope this presages more high-level engagement, and I hope that members of this committee will consider adding Pacific Islands to your travel schedule.

Thank you again, Mr. Chairman and members of the committee, for this opportunity to offer this testimony. I am happy to take your questions.

[The prepared statement of Ms. Cefkin follows:]

*****COMMITTEE INSERT*****

Mr. BERA. Thank you, Ambassador Cefkin.

I will now call on Mr. Loi for his testimony.

STATEMENT OF JAMES LOI, FORMER DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN & PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. LOI. Chairman Bera, Ranking Member Chabot, distinguished members of the subcommittee, thank you for the opportunity to offer my perspectives on the strategic importance of the Pacific Islands.

Let me also extend greetings to those from the Pacific who may be observing this hearing.

Before I begin my oral remarks, I would like to state that the views I offer today are mine and mine alone, and not of my employer or any other organization with which I'm affiliated.

I commend the committee for holding this hearing. There are any number of pressing matters in the Indo-Pacific that you could have elected to hold a hearing on. That the Pacific Islands made it onto the short list indicates a recognition that as the United States embarks on a range of efforts to up its game in the Indo-Pacific region that our allies, partners, and friends in the Pacific must be an integral part of that approach.

As I noted in my prepared statement, it is, to me, indisputable that the Pacific Ocean is strategically important to the United States. Six of our top 15 goods trading partners, representing over one-third of total U.S. trade, are with Indo-Pacific countries. Those goods must transit through the Pacific to get to and from the United States.

The U.S. military, through Indo-Pacific Command in Hawaii, our forces in Guam, and forces stationed in Japan and South Korea transit on, over, and under the Pacific as do the supply lines on which they depend.

So on their own, freedom of navigation, secure sea lines of communication, and unimpeded access to the Pacific in the air and on, under the water render the Pacific critical to U.S. national and economic security.

By extension then, the Pacific island nations we are here to discuss today are just as critical to U.S. national interests. They comprise the land features that form the first, second, and third Island chains that serve as defensive buffers to threats from our west.

They are Exclusive Economic Zones, as has been mentioned, covering vast swathes of the Pacific and include fishery and other resources that support U.S. industry and American livelihoods.

They provide key support in international fora like the United Nations, and for those Pacific Island States eligible to do so, their population serve in the U.S. military at disproportionately high levels on a per capita basis.

We live in a world where governments have options and in which we face competition for engagement, support, and access. The Pacific Islands are no different, and if we want to compete and succeed, then we must employ all the tools in our toolkit, not just the American toolkit but by also working with and leveraging the toolkits of the many allies and partners with whom we share interests in the Pacific.

Now, we Americans have a tendency to see our competitors as being 10 feet tall and able to dunk over our heads. So I think it's important to recognize, while not overstating, of course, that we operate from a position of strength in the Pacific.

We are a Pacific nation, not just due to the 50th state of Hawaii, but Americans of Pacific Islander ethnicity numbers some one and a half million, and this subset of our population has grown in every single U.S. state in between 2010 and 1920.

These cultural ties and bonds with the Pacific Islands are unique and not easily replicated by our competitors. Our Compacts of Free Association with Palau, the Marshall Islands, and Federated States of Micronesia, and the territories of American Samoa, Guam, and Northern Marianas, if fully embraced, provide the United States with unmatched opportunities to showcase the benefits of a special relationship with the United States, and that, certainly, has been displayed to great degree during the COVID pandemic where our provision of over \$90 million in PPE, vaccines, and other health support to the U.S. Freely Associated States made a big difference.

Our over \$5 billion in official assistance to the Pacific over the past 20 years has also created depth and breadth to critical relationships that underpin mutual respect and credibility. And, of course, our military presence is unmatched and augmented by allied resources.

And then, finally, of course, we share the unbreakable bonds of history forged during the Second World War, which also serve as a reminder of the mutual importance that we offer to each other.

The challenge, of course, of having a strong foundation, however, is that can breed complacency and overconfidence. That, in turn, can promote a more transactional approach to partnership, a development that comes with added danger in an era of major power competition.

The way we prevent and counteract that is through engagement, presence, dialog, consistency, and value added partnership, particularly in areas of priority interests of the Pacific Island governments such as climate change.

We must declare that our relations with the Pacific Islands are a top U.S. priority, offer a forward-looking vision and roadmap that is driven not by a reflexive and reactionary approach to China but by our own deep-seated interests.

I offered some suggestions in my written testimony on how we might do that, and I look forward to further discussion with the committee and happy to answer questions.

[The prepared statement of Mr. Loi follows:]

*****COMMITTEE INSERT*****

Mr. BERA. Thank you, Mr. Loi.

I will now call on Mr. Dayant for his testimony.

**STATEMENT OF ALEXANDRE DAYANT, RESEARCH FELLOW,
PACIFIC ISLANDS PROGRAM, LOWY INSTITUTE**

Mr. DAYANT. Thank you, Mr. Bera.

So, Chairman Bera, Ranking Member Chabot, distinguished members of the subcommittee, in Australia, it is a common practice to start an event with a welcome to country to highlight the cultural significance of the surrounding area to a particular Aboriginal clan or language group who are recognized as traditional owners of the land.

So let me begin by acknowledging the Gadigal people of the Eora nation, the traditional custodian of the land, where I sit and pay my respects to the elders past and present.

I also would like to thank the House Foreign Affairs Committee for taking an interest in the Pacific and for inviting me to discuss the strategic importance of the Pacific Islands.

First, I want to touch on how COVID-19 is affecting the Pacific people. The current global pandemic is impacting everyone in every region of the world, and trying to think about what's next after COVID-19 is difficult enough and unrealistic.

There are some things, however, that are clear. As the world is coming out of COVID-19, the Pacific region faces a potential lost decade of economic development. Pacific Islands have, by and large, done a tremendous job dealing with the COVID-19 pandemic by walling themselves off early from the outside world through a bit of luck and a lot of foresight.

Many Pacific countries are COVID-free today, and considering the acute vulnerabilities of stretched and, in some cases, broken health systems, this will be looked back on as a remarkable achievement.

Unfortunately, not all countries have shared the same luck. In Fiji, after the deadly Delta strain entered the country via quarantine 10 55 12 per capita infection rates became the highest in the world in the middle of the year.

Deadly infections reached more than 1,900 in mid-July, a huge number for a country of only 900,000 people. In the U.S., this would have equaled to 659,000 cases per day, almost three times more than during the peak of the contamination last year.

Papua New Guinea that shares a border with Indonesia and that did well at the beginning of the crisis is currently experiencing a significant surge of COVID-19 cases and deaths, overwhelming the country's fragile health system.

Today, however, Fiji's brilliant vaccination campaign has helped control the virus while it is still rampant in Papua New Guinea. So while some countries continue to deal with the domestic health crisis linked to COVID-19, all face severe economic fallout.

All the main threads of economic reliance that connects the Pacific to the outside world through the migration, remittances made have been affected.

On the very edge, the International Monetary Fund expects the economies of the region to contract as much as 10 percent. By the end of 2021, Fiji's gross domestic products would have had contracted by 23 percent, Cook Islands by 60 percent, and Vanuatu expects to lose 40 percent of its formal sector jobs.

Considering how challenging it is for Pacific economies to grow, the region is on track to make the slowest economic rebound of any region in the world coming out of the pandemic.

A report I co-wrote shows it will take almost a decade for the region to get back to where it was in 2019. In the meantime, all the other challenges the Pacific was facing before—demographics, climate change, service delivery, noncommunicable disease, transnational crime, illegal fishing, gender-based violence, geopolitical competition, you name it—all are set to get worse.

The resilience of the Pacific peoples, the region's greatest strength, will be severely tested.

Now, Pacific nations are not sitting idle. They are employing every available resources to mitigate the economic fallout. Donors like Australia, the IMF, the World Bank, the IDB, are all jumping into the fray.

On this side, the United States has done a tremendous job supporting the nations of the North Pacific. But despite this, on current trends none of this report will come anywhere close to filling the void or keeping these economies on the kind of life support the United States has been able to provide domestically since March this year.

I say all of this for two reasons. The first one is to instill on you all the gravity of the situation Pacific nations are now in, and second, to highlight the timeliness of this subcommittee hearing.

The United States is an important player in the Pacific and a key partner to many nations in the region. The current crisis the Pacific faces represents an opportunity for the United States to reshape its position in the region and strengthen Washington's free and open Indo-Pacific strategy.

With this in mind, I would be happy to take your question. Thank you very much.

[The prepared statement of Mr. Dayant follows:]

*****COMMITTEE INSERT*****

Mr. BERA. Great. Thank you, Mr. Dayant.

I will now call on Ms. Paskal for her testimony.

**STATEMENT OF CLEO PASKAL, NONRESIDENT SENIOR
FELLOW, FOUNDATION FOR DEFENSE OF DEMOCRACIES**

Ms. PASKAL. Chairman Bera, Ranking Member Chabot, members of the subcommittee, thank you for inviting me to testify today.

I'm going to start with the strategic importance of the Pacific Islands to China. We have a pretty good idea why Beijing wants in-

fluence and more possible control in the Pacific Islands. It has to do with China's concept of comprehensive national power, or CNP.

Adopted by Beijing in the 1990's, the CNP concept is embedded in Chinese think tanks and is key for understanding Beijing's global strategy. For the Chinese Communist Party, CNP is an actual number. Its researchers obsessively calculate every country's CNP.

Things that add to a country's CNP, according to them, include access to resources, R&D, human capital, financial capital, influence over global rules, strategic positioning, and much more.

CNP is the concept that connects the dots between Confucius Institutes, the artificial islands, the Belt and Road Initiative, and getting Americans teenagers to install TikTok on their phones.

In the Pacific Islands, things that score CNP points for China include big items like getting a country to switch diplomatic recognition from Taiwan to China, as well as seemingly little ones, such as a Huawei data center and PNG, a Chinese police liaison officer in Fiji, or a legislation that allows online gambling in Palau.

Coordination is facilitated by China's large embassies across the region with staffers who speak the local language and have seemingly limitless slush funds.

Given this massive effort, the question is why does Beijing think Oceania is so important for its CNP, and a key reason is geography. A core part of China's CNP strategy is developing a world-class military spearheaded by the navy that's capable of challenging and eventually displacing America as the world's pre-eminent naval power.

Between 2016 and 2020, the Chinese navy added the equivalent of Japan's entire current surface fleet and is on track to having nearly twice as many surface ships as the U.S. Navy before the end of the decade.

The problem for China is that to use its navy it needs access out of its ports and into the Pacific. But looking out from the east coast of China, there are a series of island chains that can be used to block that access.

The first island chain, roughly, stretches down Japan including Okinawa through Taiwan and the Philippines and is known as the first island chain. The second and third chains include Guam, the Marianas, FSM, Midway and more.

This area saw some of the most desperate battles of World War Two. The chains are a problem for Chinese strategists. This is one reason why China is so serious about capturing Taiwan. They need it to break the first island chain.

At the same time, Beijing is also trying to burrow itself into the second and third island chains to disrupt American planning and potentially attack first island chains from behind.

Understanding how important breaking the chain is for the PLA is fundamental for understanding how the Pacific Islands fit into China's CNP calculations and grand strategy.

On the U.S. side, after decades of, largely, benign neglect, some are realizing the importance of the region in large part through the efforts of many on this subcommittee and Representative Case.

Bipartisan initiatives and leaderships on the Pacific Islands have been exemplary, including the establishment of the Pacific Island

Caucus, the proposed Blue Pacific Act, the Honoring OCEANIA Act, and elements in the PDI.

However, momentum can be easily dissipated when dealing with such a vast and complex area. So what should the U.S. prioritize? The region that is most in need of attention is Micronesia, which includes Guam, the Marianas, Nauru, Kiribati, and three U.S. Freely Associated States.

The reasons include many of the countries have close ties with the U.S. Indeed, Guam is the U.S. Being closer to China, they're on the strategic front line. Three of the countries recognize Taiwan, making them major targets for Beijing. The recent fragmentation of the Pacific Island Forum means they're rethinking their regional structures and the COFAs need urgent resolution.

In that context, it would make sense to work with the area to create a Micronesian zone of security, prosperity, and freedom that would knit the region together, letting its countries and territories reinforce each other.

There are a series of recommendations on how to do that in my written testimony, including making the area a priority for the Quad activities including increased space for Japan and India, expanding bases including in Palau, and I suggested by a letter sent to President Biden and signed by many on the subcommittee to appoint a Special Envoy based out of the White House to coordinate interagency efforts to renew the SOFAS.

In 1943, two Solomon Islanders helped save the life of future President Kennedy after his patrol boat was sunk by the Japanese. Benjamin Gilman, longtime chairman of the House Foreign Affairs Committee, flew 35 missions over Japan as a side gunner in a B-29 Super Fortress. Twice his plane was so badly damaged he would never have made it back except he could land it in Iwo Jima. The blood of Americans is mixed with the blood of Pacific Islanders in the soil and seas of Oceania.

Ambassador Kabua, the representative of the Marshall Islands to the United Nations, said that when her country's COFA was originally concluded with the U.S., quote, "Many in the U.S. Congress and government had fought in the Pacific during World War Two. They knew who we were, where we were, and why we were important," end quote.

To avoid the next war, we'll have to learn that again.

Chairman Bera, Ranking Member Chabot, members of the subcommittee, thank you for all of your work toward accomplishing this goal and for inviting me to testify today.

[The prepared statement of Ms. Paskal follows:]

*****COMMITTEE INSERT*****

Mr. BERA. Thank you, Ms. Paskal, and thank all the witnesses for their testimony. I will now recognize members for 5 minutes each, pursuant to House rules. All time yielded is for the purposes of questioning our witnesses.

Because of the virtual format of this hearing, I will recognize members by committee seniority, alternating between Democrats and Republicans. If you miss your turn, please let our staff know and we will circle back to you.

If you seek recognition, you must unmute your microphone and address the chair verbally. And before I start recognizing myself,

I'm going to ask for unanimous consent for Representative Ed Case to participate in this hearing and that he will be yielded 5 minutes for the purposes of questioning our witnesses after committee members have their opportunity to question any witnesses.

Hearing no objection, so let it be stated.

Let me start my questions and maybe I'll ask Mr. Loi initially. You touched on having a forward-looking agenda, and I couldn't agree with you more.

You know, certainly, recognizing the Pacific Islands and islands of Oceania for their assets and the challenges that their people face and making sure they're not caught between what I think Ambassador Cefkin said, two elephants, two big nations—that this is not the United States or China, but it is about the people in the region, about them getting COFA completed and so forth.

If you were to prioritize some of those agenda items, you know, where should our focus as the subcommittee but also Congress be?

Mr. LOI. Thank you, Chairman.

Well, you know, first off, you know, I think there definitely does need to be more resources. Diplomacy and engagement is a contact sport. We have to be present.

We have to have missions and diplomatic presence in the countries that we do not, and Ambassador Cefkin, you know, represented, I think, five of them from Fiji, and COVID has prevented us from really representing ourselves in those States as well as Solomon Islands, which is covered under Papua New Guinea.

So I think presence is important, which, obviously, requires resources and staffing. Consistency is really important. And yes, it was notable that President Biden participated virtually in the in the PIF Leaders meeting.

Had the meeting been in person, though, I'm not sure who would have made it, and part of our challenge is that we're not consistent. Our participation varies. When I was working at the state Department, we were able to get Secretary Clinton to go.

I know the Secretary of Interior went during the Trump administration. But it tends to vary and that has follow-on effects in terms of the ability to follow through.

And then, you know, I guess, last, we have to have a multifaceted approach. It cannot just be security. It has to be economic. It has to be people to people. It has to leverage the many strengths that we possess that, frankly, China does not possess.

And we frequently give short shrift to some of those soft power initiatives. I think Ambassador Cefkin mentioned the Peace Corps. These are things that are not easily replicated, but they're typically the first things that are cut.

And then last, I would say, you know, while climate change is a politically divisive issue, it's not an issue that is debated in the Pacific Islands because they see it and feel it every day, and if we're not able to address their number-one concern, we lose credibility.

And so we have to find a way to short circuit kind of the debates that we know are going to continue to happen in the United States but somehow ensure that we are assisting our Pacific Island friends and partners in ways that are meaningful to them.

And, you know, that will take, obviously, you know, political courage and discipline, and maybe I'll just leave it at that.

Mr. BERA. Great. And I know, playing on that, that we have some great champions in Congress, starting with Congressman Case, who was going to lead us on a CODEL prepandemic, which, you know, as we come out of this pandemic, I know he's certainly thinking about it. I'm thinking about it.

And he's got champions like Congresswoman Katie Porter, who also I believe is having a hearing on resolving some of the issues with COFA and, you know, remnant nuclear testing issues in the region and has been a champion there.

Maybe, Ambassador Cefkin, you'd like to play off of that a little bit and maybe contrast with how China's approaching the region and how we should approach it.

[Audio malfunction.]

Mr. BERA. I'm not sure we have got a great connection.

Ms. CEFKIN. I, certainly, would—

Mr. BERA. Actually, I don't think we have got a great connection so maybe we'll move on.

Ms. CEFKIN [continuing]. And I would note that China has—their other forms of engagement really been—

[Audio malfunction.]

Mr. BERA. I think we're losing her.

Mr. DAYANT, do you want to—

Mr. DAYANT. Yes, Chairman Bera, very rapidly. So I think, look, what China does in the Pacific focuses a lot on big infrastructure projects, big-ticket projects, and those are the ones that are making the headlines in the news and, clearly, you know, like, the Pacific needs development support and needs infrastructure.

So, like, the U.S. could actually focus on other things like, you know, they could try—could try to complement Australia's support, complement other like-minded countries—like-minded development partners in the region such as, at the moment, for instance, vaccine diplomacy is something.

You know, helping the countries to get enough stocks of vaccines but also, like, in helping Pacific countries and the population of the Pacific to get the jabs in their hand—in their arms, because at the moment, there's a huge vaccine hesitancy in the region, especially in Malaysia, and having a proper information campaign could be something that would be helpful.

Mr. BERA. Great. I notice I'm out of time. So let me go and recognize my good friend, the ranking member, Mr. Chabot from Ohio, for 5 minutes.

Mr. CHABOT. Thank you, Mr. Chairman, and Ms. Paskal, I'll begin with you.

There's no question, and I think you pointed this out in your opening statement, that China has designs on the Pacific Island and we need to be very concerned about that, as well as a whole lot of other things with respect to China.

Could you discuss the likely consequences if we do not engage more effectively with the region, particularly the islands that are under discussion today, and give the PRC, essentially, a free hand in the region? Could you—could you discuss that?

Ms. PASKAL. Yes. Thank you for the question.

So there's several different ways of looking at it. One is strategic. Of course, strategically, it would be disastrous.

Any military confrontation that is going to happen in Asia would require the U.S. to have access through the region, and that's not just sort of ships, but it's subs, it's the underwater cables, it's satellites, all that stuff, and China knows that.

And as it positions itself throughout the Pacific, it's positioning itself to be able to cutoff all of those abilities, to cutoff the logistics, supplies, and the infrastructure needed for the U.S. to be a force for security and stability in the region.

At the same time, the consequences for the people of the Pacific shouldn't be underestimated. There are different sorts of ways that China interacts. Infrastructure is one of them.

But there's also once China gets a hold of a government, it tends to use its influence to try to lower visa restrictions for Chinese to arrive in the country, and they tend to arrive in and stay a very short period of time, and in the process they bring in often drugs, prostitution, and gambling that's very, very destructive for the local population.

So the first case of human trafficking in Tonga was a Chinese woman who brought in other Chinese women to serve as prostitutes in Tonga. Very disruptive for the local population and it, of course, uses those prostitutes to gain influence over the customers through various other means as well.

So this is totally socially corrosive at the same time as being strategically detrimental to the U.S. position. In every single way this is bad for the people of the region and for anybody who cares about a free and open Indo-Pacific.

Mr. CHABOT. Thank you. And talking about our engagement, the United States engagement in the region, when the Solomon Islands switched recognition from Taipei to Beijing, the United States didn't even have an embassy in the Solomon Islands and I think this really does exemplify a far too lackadaisical approach over the years to the region. Could you discuss that and how should the U.S. engage more effectively and in a sustained way in the Pacific Island region?

Ms. PASKAL. Mr. Loi is absolutely correct and his written recommendations are excellent about having to be there. You need to show up. And there is this issue of—that's going to have to be reconsidered about partners.

We can't—the Solomon Islands situation and the Kiribati situation showed, unfortunately, that Australia and New Zealand are perhaps not as on top of the situation as we had hoped and perhaps could use a little bit more collaboration with some other partners in order to make sure that things like that don't happen.

I think the U.S. was taken by surprise by how far down the road the Solomons was and, in fact, I heard that the Solomons before had even considered offering basing rates to the U.S. and that opportunity was lost as well.

So we need to be there. The U.S. needs to be there. It needs to be listening very carefully and it needs to be making decisions based on its own interests and not necessarily, in some cases, the economic interests as some of its partners, unfortunately.

New Zealand, in particular, is very problematic in Polynesia, where some of its economic interest—short-term economic interests—seem to be undermining the security interests of the entire region.

Mr. CHABOT. Thank you.

Ms. PASKAL. So there is there—yes, there's no substitute for being there.

Mr. CHABOT. Thank you. I've got about a minute left and I wanted to get one more area in to you here. Could you discuss the threats posed by potential Chinese military bases or dual-use facilities in the Pacific Islands and what such facilities would mean for U.S. national security?

And also could you discuss Palau's request to host a U.S. military base and the advantages that that would bring to U.S. force posture in the region?

Ms. PASKAL. Yes. The Palau base would be very important for the people of Palau. First of all, it would bring in important revenue, but it would also make them feel much more secure.

They're one of the few countries that still recognizes Taiwan and there's enormous pressure on them to try to shift. So it would be a statement that the current president of Palau, President Whipples, could use to show, look, the U.S. is with us. They're behind us. It would also—given its location, it's very, very strategic and very helpfully located. I'm not quite sure why that offer hasn't been taken up.

As the Chinese goes out with these dual-use facilities that are built in part through the Belt and Road, they're enabling an ability not just to position themselves but also to deny access. So these are—again, these go through satellites, underwater cables, surface, air, subsea.

They are looking at what happened in World War Two and they're not making the same mistakes Japan made. They're grabbing the islands while they can in a political warfare way before they shift to kinetic warfare, if needed.

Mr. CHABOT. Thank you very much. I yield back, Mr. Chairman.

Mr. BERA. Great. Thank you, Mr. Chabot. Let me now recognize my good friend, the gentlelady from Nevada, Ms. Titus.

Ms. TITUS. Thank you very much, Mr. Chairman. You know, a lot of the emphasis has been on our relationship with this area and these islands along the defense lines and security lines.

I'd like to shift just a little bit over to the nuclear legacy—you know, our testing in Bikini and Enewetakwe. Some of the damage that was done back in the late 1940's or 1950's still remains a problem.

Would this not help our relations with that part of the world if we included in some of our negotiations or some of our assistance funding to help with the radiation and the problems that remain as a result of that.

Anybody?

Ms. PASKAL. Yes, it would help.

[Laughter.]

Ms. TITUS. Well, how should we do that? I agree, I think it's yes. That's why I asked the question. But how can we pursue that or

what will be the response to it? Maybe you all could give me a little help here as I make this case.

Mr. DAYANT. If I may.

Ms. TITUS. Please.

Mr. DAYANT. So yes, I went to the Marshall Islands 2 years ago, actually, and I remember that the Dome—so, like, the Runit Dome where the United States has put some of, like, its nuclear—not waste, but, like, you know, like, the tools that were used to, like, do the nuclear testing and, like, completely, you know, did it underground, this is a big legacy for the United States.

It is, like, very negatively seen in the Marshall Islands. The U.S. says that, and sends every year, like, a controller that goes and checks the dome to see the, like, how sustainable it is.

Unfortunately, it is cracking. The population is a bit worried. But these experts say that the radioactivity is actually not—we shouldn't be so fearful of it.

Now, I know that if the local population asked for one thing and one thing only, it would be, like, to get rid of this dome that is, actually, you know, that is hanging over their head, really. And so, like, if the United States could do something more—you know, something that would show that, you know, you want to clear this area, that would be actually something very, very welcome in the region.

Ms. TITUS. I know we have moved the islanders off. We moved them back. We had to move them off again. I represent Nevada so I'm kind of familiar with some of those same issues in our state that you're experiencing double time there. So I think we ought to always keep that on our agenda as we look at our relations.

Mr. DAYANT. Oh, look, you're completely right. I mean, I am—I'm French and living in Australia, about to become an Australian as well. And so, like, as a Frenchman, you know, like, my country has done a lot of nuclear testing in the Pacific, especially in Polynesia, and this has been, you know—like, this has been an ongoing process.

Like, the healing process with the French Polynesian people between—and the French government is, like, a very complex one. Not that long ago, President Macron apologized for the testing and there's, like, a compensation scheme that covers, you know, like, the health treatment that people who are victims of cancer or leukemia are facing.

And the French government as kind of—you know, we tried for a long time to get rid of this issue by not talking about it, but really now it's coming back on the surface. And so this is something that the French government is trying to deal with and I think actually having a look at what the French government is doing now would be a good first thing to look at in the U.S.

You know, like maybe trying, you know, like doing, trying to establish a conversation with the French government to see how they dealt with the situation to see if you could do something similar and in Runit.

Ms. TITUS. Thank you. Let's look at that, Mr. Chairman.

Just briefly before I go, another area I think we can work on is the rising sea levels and climate change, and how we collaborate

with maybe Japan and Australia to help with that issue of climate change.

Thank you, Mr. Chairman. I think my time is up. I yield back.
Mr. BERA. Thank you, Ms. Titus.

Let me now recognize my good friend, the gentlelady from Missouri, Mrs. Wagner, for 5 minutes.

Mrs. WAGNER. I thank you, Mr. Chairman, and I thank you to our witnesses for their time and, certainly, their service. For decades, the Pacific Islands have played a central role in developing U.S. capabilities and extending our ability to protect rule of law and freedom of navigation.

Strong relations with Pacific Island nations remain the backbone of U.S. security in the Indo-Pacific. Increasingly, the Pacific Islands are on the front lines of a Sino-U.S. rivalry as China attempts to erode support for Taiwan and pushed the borders of its spheres of influence out to the so-called second island chain, a line that passes through the Marshall Islands, Guam, and Palau.

China does not share our vision for a free and open Indo-Pacific. It seeks to intimidate and entrap and coerce these countries into increasing China's prestige and furthering its agenda.

As one of the co-chairs of the Pacific Island Caucus, I am very proud to support the special relationship that the United States shares with the Marshall Islands, Micronesia, and Palau.

The United States must continue to stand together with the Freely Associated States in defense of our common interests. I'm extremely concerned about China's investment plans for Kiribati.

Two years ago, the PRC used its economic clout to induce Kiribati to cut ties with Taiwan and instead to recognize Beijing. And today, China plans to use its influence to revive a World War Two era airstrip on a Kiribati island that would threaten critical sea lanes between Hawaii and Australia and New Zealand.

Ms. Paskal, what are the implications of this development for U.S. and allied security and how should the United States proceed in order to prevent China from militarizing these important islands?

Ms. PASKAL. Thank you, Representative Wagner. That's a very good question, and that island, Canton, is a critical location, as you mentioned.

The U.S. actually has a treaty with Kiribati that is supposed to prevent the militarization of that island by any country other than the U.S. The U.S. has a sort of—can go back to it but Kiribati is, technically, supposed to ask the U.S. if anybody else is going to use it as a military airstrip.

Mrs. WAGNER. Have they done so? Have they done so?

Ms. PASKAL. Well—

Mrs. WAGNER. Because their association with Beijing and the revival of this new World War Two airstrip would say that treaty is not being followed.

Ms. PASKAL. So as often happens in these cases, apparently, the Chinese just want to build it for, you know, tourism or something.

Mrs. WAGNER. Oh, right.

Ms. PASKAL. I don't know. Scuba diving off the coast of Canton. But it's a very good example of how there are a lot of arrows in the U.S.' quiver that aren't being used, and if there—if there was

a larger team that could look at these entry points into the Pacific treaties, old treaties, and through these relationships and things, then we—you'd have a better idea of what could be done. But that's a very good clear example of that.

Mrs. WAGNER. Well, it is, and more has got to be done. More generally, China is seeking to build military—what I'll call dual-use infrastructure throughout the Pacific Island region such as piers that can accommodate Chinese navy ships.

Ms. Paskal, what are China's dual-use infrastructure plans for the region and what would these facilities mean for our defense?

Ms. PASKAL. So there's—because of China's comprehensive national power approach, there are very few pieces of major investments by China that they don't think has a strategic element for their benefit.

So it's—you can't disaggregate. It's all combined into this comprehensive national push, this ability to be able to control the other country, and it may not be as overt as a port. It may be funding the scholarship of one of—

Mrs. WAGNER. Right.

Ms. PASKAL [continuing]. Children of one of the leaders and then, you know, taping them when they're on, you know, having a good time in Beijing.

Mrs. WAGNER. I'm running out of time.

Ms. PASKAL. Sorry.

Mrs. WAGNER. I'm running out of time. Let me just say, Compacts of Free Association between the United States and the Marshall Islands, Micronesia, and Palau set out the terms of our unique relationship with these States.

The agreements prevent our adversaries from exploiting a huge swath of the Pacific Ocean and guarantee the U.S. foothold from which to protect its interests.

You probably won't have time, but Ambassador Cefkin, to what degree does China seek to undermine relations between the U.S. and the Freely Associated States and do PRC influence operations in the Pacific Islands region threaten renegotiation of compacts?

Mr. BERA. I know the gentlelady's time has expired a little bit. But, Dr. Cefkin, if you can give a brief answer that would be great.

Ms. CEFKIN. Very briefly, I will say that, first and foremost, what motivates the Pacific Island nations in their relations is their need for, really, the infrastructure support—the development support.

And in the case of Kiribati, that is my, you know, firm belief, and I've heard Kiribati's officials say the same, that they're really looking for infrastructure development on the Outer Islands and economic development.

And so we want to match China. That, really, is an area we have to put more resources, and I think there's some very promising models that we have, you know, embarked on in joint partnerships with Australia, New Zealand, Japan.

We're doing underwater cable in Palau and an electric grid in Papua New Guinea, and those are the kind of projects that, I think, can, you know, start to elevate our partnership.

Mrs. WAGNER. I appreciate that. I appreciate that. I appreciate the chair's indulgence. But these are all things that we have got to really engage in in a more comprehensive and strategic manner.

So I thank you all, and I yield back.

Mr. BERA. Great. Thank you, Mrs. Wagner.

Let me now recognize my good friend, the gentleman from Michigan, Mr. Levin, for 5 minutes.

Mr. LEVIN. Thank you so much, Mr. Chairman, for the great job you're doing covering so many important issues on this subcommittee and your partnership with Mr. Chabot.

You know, sea levels continue to rise due to climate change and, unfortunately, even if we move to a carbon-free economy radically faster, this phenomenon will accelerate for years to come, possibly submerging parts of or even entire Pacific Island nations.

In addition to the threat of sea level rise poses to people and their livelihoods, it can shrink the maritime claims of Pacific nations when certain land features become uninhabitable.

Ambassador Cefkin, as the former Ambassador to the Republic of Fiji, the Republic of Kiribati, the Republic of Narau, the Kingdom of Tonga and Tuvalu, can you describe in more detail exactly what rising sea levels mean practically for people living on these islands, and how can the U.S. support Pacific Island nations in safeguarding their livelihoods and national infrastructure from the threats of rising sea levels?

Ms. CEFKIN. Thank you, Congressman. I'm very happy to address that issue, and I saw it firsthand in all my travels. I'd say that it's very important.

As I mentioned, that the effects include one very destructive impact is saltwater intrusion, which makes already scarce arable land less able to support growth of any crops and also threatens water supplies.

So what is really important and one thing that we really emphasized in my time in the South Pacific was what we were doing to help them build resilience, adaptation. Our AID programs were focused, really, almost entirely on that issue.

And we did a lot and we leveraged it, you know, for our public diplomacy very effectively, but there really is, you know, a very great need, you know, for more funding, more financing, I think, through USAID, through international instruments such as the Adaptation Fund and Green Climate Fund that really is going to help them develop more resilience.

I mean, examples of some of the projects were building storm shelters, very strong medical clinics that could withstand storms that were also—could double as shelters, helping them alleviate flooding coming from tidal flooding and even inland in some of these countries so that they could continue to grow their crops and have their livelihoods and be safe.

One project we had was in cooperation with Habitat. It was in a village called Vunisavisavi in the village—the island of Vanua Levu and Fiji where we worked with Habitat to build strong homes further away from the coastline, and those homes sheltered those villagers during Cyclone Winston.

But there are a lot of villages that are facing relocation in Fiji and the other Pacific Island nations, and that is a very, very emotional issue for them, having to move their homes—not just their homes, but their ties to their ancestors who are buried there. And

I heard one woman say she would die before she would move from that location.

So it's a very emotional issue. But the more we can do in terms of our funding and our work together in policy fora to help them address that issue, the stronger our ties and our friendship and our partnership will be.

Mr. LEVIN. Well, thank you. And I think you can tell from this panel that there's really bipartisan support for us to do more, and so I look forward personally to working with you on that.

Let me try to get one more question in. We touched on it a little bit earlier. But, you know, the Freely Associated States and in particular the Marshall Islands still experience radiation exposure from our cold war nuclear tests and continued storage of nuclear materials.

What should the U.S. do to prevent future harm to the Marshallese from our nuclear materials stored on these islands and what solutions are there to protect people from radiation exposure? And, of course, this interacts with my previous question, and I'll open this up to any of the panelists who want to try to give a quick answer.

Mr. LOI. Congressman, the short of it is it's a critical—an issue of critical importance to the Marshallese and we can't ignore it, right.

I mean, I think one of my favorite sayings from Colin Powell was, you know, bad news doesn't get better with time. And so this is not an issue that's just going to disappear on its own.

Whether we can match the expectations of what the Marshallese expect is a different question. But much like we're dealing with dioxin in Vietnam, we do need to, you know, kind of address the issue up front, get the experts talking and figure out what we can do. So it does need to be an issue on the agenda.

Mr. LEVIN. All right. With that, I guess my time is expired, Mr. Chairman. Thank you very much.

Mr. BERA. Great. Thanks, Mr. Levin.

Let me now recognize my good friend, the gentleman from Kentucky, Mr. Barr, for 5 minutes of questioning.

Mr. BARR. Great. Thank you so much, Mr. Chairman. I appreciate your leadership in holding this hearing. I appreciate the testimony from our witnesses.

And I also applaud our chairman for his engagement in a bipartisan way on the Blue Pacific Act and the Honoring OCEANIA Act, and I'd love to talk to the chairman about those pieces of legislation, see if I can be helpful to you on those and I want to turn to Ms. Paskal and her testimony.

And you do a great job, Ms. Paskal, in your written testimony toward the end where you get into granular detail on specific recommendations.

And so in reference to the Blue Pacific Act and the Honoring OCEANIA Act and the previous administration's more active engagement of the Pacific Islands, can you give us a little bit more detail on the top priorities?

So if we were to pass legislation on Oceania and the Pacific Islands, what would be the absolute top key priorities for us to further engage those islands?

I appreciate your testimony that we need to be comprehensive in our approach and not be, you know, focused exclusively on China. But let's face it, that's the big issue.

So how can we—what would you say are the top three, four, or five pieces of engagement that we need to be focused on?

Ms. PASKAL. Thank you, Representative Barr. That's the key question, and the legislation is in place and it's there and the money seems to be floating around. The problem is that it isn't being targeted in a very specific way.

And one element is what Mr. Loi brought up, which is that there isn't a comprehensive team within the U.S. that's looking at how to engage. So if you've got a pool of money for infrastructure, it may go into a whole bunch of different things that don't aggregate into something that actually helps the people of the region and create those bonds.

So one is, as he said, you put people there. But the other is, and this hasn't really been brought up before, a lot of these countries have very small ministries of foreign affairs. So they might have five or six people dealing with everything from cop to defense to everything else, and they don't know how the U.S. works.

So Palau tried to get around this recently by putting in place a national security coordinator so they would have a designated person to talk to the security establishment in the U.S. and create those bonds.

Similar initiatives would be very helpful across the countries of the Pacific where you help them understand—you have how the U.S. works, how the U.S. systems work, and how to put in place individuals that can be that consistent point of contact for the U.S. going in so that the lines of communication are very entrenched.

I would also, as we're building out the Quad, make sure that India is included in a lot of these issues, including with the funding for some of these projects because, as mentioned, for infrastructure, we're looking mostly now at Japan, Australia, and New Zealand.

They're very expensive infrastructures. So what you end up with, for example, is Japan will build a hospital in Tonga and it'll be staffed by Chinese doctors. Through the Quad, you can bring in the lower cost Indian components that can help bolster that on-the-ground engagement that reinforce the Quad and reenforce the free Indo-Pacific as a whole.

So those would be kind of two of the things that I would prioritize. One is making sure they know how to understand and talk to the U.S., and the second is bring in this other element of India, which can go into the sectors of the economy where China is currently filling in order to give them another viable option.

Mr. BARR. OK. Any other—just the same question briefly to any of our other witnesses. What would be the top recommendation in any kind of Oceania engagement legislation?

I mean, I like the Peace Corps idea, you know, but—and soft power. But what about DFC? Where can DFC counter Chinese economic influence?

Mr. LOI. I mean, Congressman, absolutely anything on infrastructure, I think, is important. I mean, we do need to be able to offer an alternative to what China is offering. Other pieces of engagement that have been really popular beyond this Peace Corps

are the Coast Guard ship rider program that Ambassador Cefkin mentioned.

You know, most of the Pacific Islands don't have militaries, right, so the military-to-military piece can be a bit more difficult. And then I think the other piece of it is ensuring that there is a stream of funding that can't be disrupted on a year-to-year basis.

Mr. DAYANT. Yes. I'm sorry. If I could add to this.

So yes, I agree completely with Mr. Loi on any type of, you know, Pacific Island maritime patrol that the U.S. would lead.

But also I think it's important for the U.S. to look beyond the COFA States. I mean, when you look at the aid that the U.S. gives to the Pacific, 85 percent is directed to the Compacts—the COFA States and I think it's—

Ms. CEFKIN. And if I may just also mention one other program that's very promising is the state Partnership Program. When I was in the Pacific we had a state partnership with the Nevada National Guard with Tonga and that was hugely beneficial to our relationship and to both our countries.

It's now, I'm happy to say, been expanded to Fiji and Wisconsin Guard has taken on a partnership with PNG. But that's another place where you can have sustained engagement that is really advantageous. So that's another area, I think, to explore expanding.

Mr. BARR. Well, I'm proud to represent the Kentucky National Guard, and I would say that the our guardsmen would not object to going to the South Pacific for a few—for a tour.

[Laughter.]

Mr. BARR. Thank you all for your testimony. I yield back.

Mr. BERA. Thank you, Mr. Barr.

Let me now recognize my good friend, the gentlelady from Pennsylvania, Ms. Houlahan, for 5 minutes.

Ms. HOULAHAN. Thank you, Mr. Chair. And I second that from the great Commonwealth of Pennsylvania an interest definitely in our National Guard and a state partnership.

My questions today are a follow-on to questions that I asked in a 2019 HVAC hearing on a similar subject of the Pacific Islands, and maybe I could see if a couple years later if we get some additional insight.

For Ms. Paskal, I want—there were questions that I have. We have had a lot of conversation about China and the influence of China in the region.

What is the United States doing to promote regional partnerships that would counter Chinese influence? If you could help us with that.

And also, how are our trade investment and relationships in the Freely Associated States compared with China at this point in time?

Ms. PASKAL. Thank you very much. There's not a lot going on, especially now since the Pacific Island Forum kind of fragmented, which is why it may be a very nice opportunity actually to create a new regional structure especially within Micronesia, and that can be done in part right now.

As the Ambassador knows, Kiribati and Nauru, which are Micronesian States, are affiliated to Fiji but if they were shifted up to Majuro, then that would really help consolidate the region and en-

able the people of Micronesia to become a much more cohesive whole in terms of access to education and health care and those sorts of things.

So there's a lot of work to be done on that first part of your question.

Apart from that, I would—I don't actually know how many of the mechanisms within the U.S. Government work. I know that on the ground what you're seeing is because China completely distorts economics for—because it is part of comprehensive national power and so it uses a completely different calculation for what is a good investment or not, it is very difficult to compete with them unless you educate the local population about what's happening and expose corruption.

So if you create a level playing field where American companies can compete with Chinese companies, then it would involve working with the local press. In fact, as has happened in Australia, where a lot of dodgy dealings were uncovered and it really affected China's position in Australia, to help in the Pacific Island countries.

So they target through the three warfares. They target the media. They target lawfare and they target psychological, and that gives a lot less room for the U.S. to operate.

So there would need to be push back in those three areas first in order to create the space for the U.S. to be able to come in and compete and give them a viable option economically in the face of these distorted Chinese economics.

Ms. HOULAHAN. That's really actually fascinating. I'd love to followup offline with you on some ideas in that area.

My second question is somewhat related and it has to do with the fact that several of you all have brought up the Peace Corps and other sorts of educational partnerships, as well for the Ambassador.

How can we advance our U.S. educational exchanges and how can we further our relationships with our allies? Do we need more funding for this or perhaps specific programming for this maybe in the STEM field? I'm particularly passionate about STEM.

And you've noted in your testimony that China has a hundred training grants per year to the Pacific Islanders. Obviously, we, as you said, have a handful. What should we do to remain competitive in this space besides adding more grants? And, first, would start with the Ambassador, but I know many of you might have something to add to that.

Ms. CEFKIN. Congresswoman, yes, indeed, it is a question of funding. We really have excellent programs. In addition to Fulbright, there's the Humphrey Fellowship. Let me also mention the International Visitor Program, which brings aspiring leaders from these countries to the United States for exchanges.

And to give you one concrete example, a former, now, sadly, deceased Prime Minister of Tonga Pohiva, he was actually transformed by doing one of these study grants and really rose to the very top levels of his government.

So it is a question of funding and the resources, the people, to implement it.

If I could maybe just add one very brief comment to your last question, which is to note that the U.S. has long supported Pacific regionalism, and I do think we need to be a little bit cautious that we have more to gain from Pacific solidarity than from encouraging fragmentation.

We are a founding member of the Pacific community, and I know that even those countries that have the relations with Taiwan, as I say, you know, are nervous about the growing tensions between us and China.

So I do think that it's in our interest to, you know, view the Pacific as a whole and work with the Pacific as a whole, notwithstanding the fact we, of course, have a special responsibility with the Compact countries.

Ms. HOULAHAN. And I have run out of time, unfortunately, but would love if you all have anything to add to the record on either of those questions to ask that you submit that for the record.

And with that, Mr. Chair, I yield back.

Mr. BERA. Great. Thanks, Ms. Houlahan.

And I notice we have been joined by Congresswoman Katie Porter. So let me ask unanimous consent for Representative Porter to participate in this hearing and that she'll be yielded 5 minutes for the purposes of questioning our witnesses after committee members have had the opportunity to question any witnesses.

And not hearing any objections, let it be stated.

Let me now recognize my good friend from the great state of California, the gentlelady, Ms. Kim.

Ms. KIM OF CALIFORNIA. Thank you, Chairman Bera, from the great state of California.

I'd also like to thank Ranking Members Chabot.

The Pacific Islands are incredibly important to the U.S. economic and strategic interest in promoting security and prosperity in the Indo-Pacific. The Freely Associated States are particularly important for the United States, including Palau, the Marshall Islands, and Micronesia and serve as crucial forward operating bases for U.S. military assets to balance against threats in the Pacific.

The Compacts of Free Association is crucial to maintain this competitive edge in the region. But renegotiations to renew this critical compact ahead of its expiration in 2024 have stalled under the Biden administration.

In June, I joined the letter to President Biden urging the immediate renegotiation of COFA to support the Freely Associated States and I would urge him again today to make this compact renewal a priority for his Indo-Pacific agenda.

With China leveraging its Belt and Road Initiative and malign influence through the economic pressure, the United States is rapidly falling behind on maintaining a presence in Pacific Island nations.

Ms. Paskal, can you provide insight on how the United States is countering the Belt and Road Initiative and other CCP influence operations in the Pacific Islands, especially through agencies like the Development Finance Corporation?

Ms. PASKAL. Thank you very much for your question, Representative Kim.

There have been a lot of things announced and a few things have showed up on the ground, and there have been some collaborative projects—as mentioned, the undersea cable project.

But there hasn't really been anything transformational. And also, as was mentioned, you know, that is how China lures a government into flipping. That is what happened with Kiribati.

They came to Kiribatis with, you know, we're going to give you the planes that you want and all that sort of stuff, instead of what has been happening a lot in terms of social reengineering.

So you'd get consultants coming from Australia or New Zealand wanting to talk about very important issues like gender rights, and the Chinese would say, we're going to give you planes instead. And then the government would say, well, planes are going to get me reelected but gender rights are going to cause me some problems domestically so I'm going to take the planes.

So the scale of the way that China has comprehended the political dynamics of the people in the region, and I would say these are very smart leaders. If you look at FSM, for example, FSM, in the last 130 years, belonged to Spain, then Germany, then Japan, then the United States, and finally became independent.

They've seen a lot of political disruptions, and they know how to play big countries off of each other. So they know what they need to do to try to get themselves reelected. So we need to really listen to them and work with them as equals in terms of what they need in order to, as politicians, get themselves reelected and so far, that really isn't happening.

Ms. KIM OF CALIFORNIA. Thank you, Ms. Paskal.

You know, I would like to ask you about the instability in the Pacific Islands Forum. Could you briefly explain how the United States has attempted to stabilize the situation and whether any outside actors have tried to exploit the situation for their own gain?

Ms. PASKAL. OK. So I would say that the biggest actor actually has been New Zealand with support from Australia and from France via French Polynesia. For those who don't know, what happened there was a leadership contest in—for the Pacific Island Forum, and there were two contestants.

One was from the Marshall Islands, Ambassador Zackios, an excellent candidate who is current Ambassador in D.C., and from a country that recognizes Taiwan, and the other, Henry Puna, who is from the Cook Islands, affiliated to New Zealand.

And the vote—the choice came down to one vote difference, and we know that New Zealand, Australia, and French Polynesia all voted for Puna. And the Micronesians had said, if you don't let us run this for once, we're going to leave, and they've slowly been leaving.

So they were very clear for over a year that they felt marginalized in the organization, and as a result of the vote, they felt like they had no choice but to leave because they weren't being represented within the organization.

And there are a lot—you know, if Australia or New Zealand or French Polynesia had flipped their vote, there would be no problem now in the Pacific Island Forum. They all knew what they were doing when they made that vote, or else they have very bad intelligence.

In both cases, that's a real problem for the U.S. The result was five countries, including three that are in free association with the U.S., were cut free. So that is why the Micronesian countries are now thinking, OK, we're going to go back to the way it was before.

There will be a South Pacific bloc and there'll be a Micronesia bloc, and the Micronesian bloc can become more cohesive and we can deal with our challenges more directly instead of via Canberra or Wellington as an intermediary with Washington.

Which is why this is actually now an interesting opening for Washington to interact directly with the countries of Micronesia.

Mr. BERA. Great. The gentlelady's time has expired. Thank you, Ms. Kim.

Ms. KIM OF CALIFORNIA. Thank you very much.

Mr. BERA. I don't see Congressman Sherman on camera so let me go ahead and recognize my good friend, the Congresswoman from North Carolina, Ms. Manning.

Mr. SHERMAN. I'm on camera, am I not, Mr. Chairman? Can you hear me and see me? I have indicated video.

Mr. BERA. We can hear you but we can't see you.

Mr. SHERMAN. I'm on camera but please wait for a second here.

Mr. BERA. OK.

Mr. SHERMAN. There we go.

Mr. BERA. Mr. Sherman, we'll come back to you after Ms. Manning.

Ms. MANNING. Thank you, Chairman Bera, and Ranking Member Chabot, for holding this important hearing. Thank you to our witnesses for being with us today. I look forward to working with members of the committee on ways we can reinvigorate our presence and key alliances in the region.

My first question is for Mr. Loi. You noted the need to renew our ties to the region as memory of World War Two fades among the younger generations of Pacific Islanders and, most importantly, among Americans.

In light of that as well as all the critical issues facing our country and the countries around the world whose crises grab the headlines every day, how can we convince the American public that this area requires attention and how can we improve the level of understanding and strategic thinking about this region?

Mr. LOI. It's a great question, Congresswoman.

I mean, look, my written statement wasn't meant to, certainly, diminish the history and the ties. I mean, I'm a Navy veteran. I've been to many of these islands when I was in government service. It's incredibly important.

But we can't allow that to be kind of the foundation of our relationship and take it for granted in ways that we believe it's going to kind of just automatically sell the value and importance of relationship with the United States. And so, you know, we have to be able to work hard to win over the next generation.

And I think, you know, that's part of it, but, you know, as I said, you know, earlier, it is about presence. It's about, you know, as Ms. Paskal said, we're not going to learn and we're not going to listen unless we're there and we're hearing it and we have relationships.

And then that feeds back into the United States. Look, we have a fairly large population of Pacific Islanders in the United States.

I mean, I would say to them as fellow citizens, right, you need to also voice your concerns and interests and you have to participate in our system and you have to what you can to make sure that those issues are elevated.

But, look, the average American citizen is very distracted, understandably so. You know, whether or not they're going to be able to appreciate the importance in the broader strategic and security, you know, aspects of relations in the Pacific, it's difficult, right.

I mean, I think that's something that all of us can do. Hopefully, that's something that you raise with your constituents when you get questions about why are we giving aid to places like this.

Certainly, the arguments are pretty clear if you pay—even if you're following the issues. But it is difficult. It's always been difficult to explain to, you know, the average American why it's important for us to spend resources here. And I don't have a magic bullet for that other than we have to communicate both as leaders but then also, I think, the communities in question and those who have interests in the region can't take it for granted and they, too, have to be vocal.

Ms. MANNING. Thank you.

Ms. Paskal, do you want to comment on that?

Ms. PASKAL. Yes. I think that, you know, we're thinking about it a lot in terms of aid. There is a lot of economic potential in the region and the countries in the region would like to—would like to just earn a living, like everybody else.

And so there's some things that actually can be done in terms of trade facilitation that would make their economies a lot more stable, and part of that would involve protecting them from predatory Chinese practices that make entire sectors of their economy unviable.

Like what's happening, potentially, with online gambling in Palau could potentially turn Palau into a major Chinese criminal organization hub.

So with participation of FBI or DEA or other organizations like that it might be a lot easier to give them the space they need to develop to become more stable so that we don't actually have to, you know, turn to constituents and say we need to send them tons of money all the time.

We can help them to become more economically stable on their own, which is fundamentally what they want and that goes back to the other question about training.

Just very quickly, in order to give them an option that isn't China, it does have to be the U.S. So for training, for example, it might make a lot of sense to facilitate training, again, in India. So training a doctor in India is a lot less expensive than training a doctor in the U.S.

So as part of the Quad structure bringing India in where appropriate for supporting these economies.

Sorry. Thank you.

Ms. MANNING. Thank you very much.

Very quickly, Mr. Dayant, you talked about the economic followup from COVID-19 including gender-based violence. How can the U.S. help these countries address the regions' high rates of violence against women?

Mr. DAYANT. Thank you very much, Madam Manning.

I think, look, the United States can't absorb all the problems the Pacific has. But like as Mr. Loi said, like, you know, showing up and kind of interacting with people, creating a people-to-people connection and then, like, trying to educate and, like, share, like, the practices that the United States have, like, across the Pacific would be one way of, like, you know, showing the way. And I think Mr. Loi has just, like, mentioned it very, very clearly.

Like, if the United States was to have, like, a big air base in the Pacific, of showing up, developing your own Ambassador to the Solomon Islands and in some other places we actually have a great step and responsive step—

Ms. MANNING. Thank you. My time has expired. I yield back.

Mr. BERA. Great. Let me know—I can see my good friend from the great state of California, the gentleman, Mr. Sherman, for 5 minutes of questioning.

Mr. SHERMAN. Thank you, Mr. Chairman. Whether being visible is an improvement or not, I'll leave to the in the eye of the beholder. Being from Los Angeles, I understand that "Game of Thrones" was perhaps the most entertaining video and that's why we're all looking forward to the prequel.

I think for many people watching this hearing, this is the most exciting hearing ever and people don't have to look forward to the prequel. I want to alert those who are watching that the prequel has already been made.

It was on September 26th, 2019, when our subcommittee had a hearing that when I was chair and Chairman Bera was there we had a hearing along with the House Natural Resources Subcommittee on sustaining the U.S. Pacific insular relations.

So for those who are watching, after you're done with this, just as you ended "Game of Thrones," the prequel is awaiting you online.

I would like our witnesses to go through the list of the independent States of the—that we're concerned with here and just, very quickly, give—a grade may be too flippant but just an indication of where each stands in terms of transparency, rule of law, democracy, and free press.

I'll ask just one witness, whoever speaks up most quickly to go through the list and see how confident we are on those issues.

Don't all speak at once.

Mr. DAYANT. Right. Well, I'll start.

Look, I'm not going to—that's a very good question, Mr. Sherman. Thank you very much. I thank you for, like, this little information on, you know, the feature you were mentioning.

So, yes. Look, freedom of press, you're right, is an issue in some nations of the Pacific. Actually, some journalists in the Pacific or, like, the people in the Pacific sometimes rely on the information that we have in Australia to actually get to know what's happening in the Pacific.

I would not—you know, like, I can't give you a ranking of what is the most in France and what is the most—

Mr. SHERMAN. Excuse me. I mean, there could be some reliance on out of area publications just because these countries are very small and they may not have a robust and sophisticated news oper-

ation. When I say freedom of the press, I don't mean in terms of, you know, do they have a New York Times.

I'm sure, occasionally, the New York Times on any particular day may have the best article on what's happening in the Pacific. They do a very good job when they do cover it.

But in terms of freedom of the press and human rights, what would you say is the biggest issue in—among the Pacific Islands?

Mr. DAYANT. I think—for what I understand, like, Fiji is a complicated place sometimes to talk about what's happening in government. Papua New Guinea difficult for, like, a lack of resources. Like, all the Pacific nations have actually different reasons fueling this lack of transparency in someplace or another.

I don't know if my fellow commentators want to talk about this issue.

Ms. PASKAL. Representative, you bring up a very helpful point, which is that metrics that we tend to use in the rest of the world tend to fall apart when you look at the Pacific Islands because the populations are so small.

So I could probably name all of the journalists in Tonga, for example. And if one of them decides to go out to lunch with the Chinese Ambassador then the situation has changed dramatically overnight.

Mr. SHERMAN. That's—I've gone to lunch with the Chinese Ambassador as have quite a number of American journalists. If you told me that one-sixth of the journalists in the country was in jail, that would be—that would be a problem.

Let me go on to another issue. A couple years ago, it came to my attention that the Marshall Islands was considering a crypto currency. Is that still the case?

Mr. LOI. Congressman, I'm sorry. I don't know the answer that question. I'm not able to answer.

Mr. SHERMAN. Well, if they had gone through it within a robust way, you would probably know.

Ms. PASKAL. Representative Sherman, another issue, which is also about the freedom of the press, in the Pacific Islands what's tended to happen is social media has tended to take over for information transfer.

So it's very heavily used. Many people don't—they won't get a newspaper. They might get the radio. But they'll definitely use Facebook, which has been heavily used by China for influence operations.

So the entire media environment—

Mr. SHERMAN. The other side of freedom of the press. When the information is free some of it is false.

What about democracy following the rule of law holding elections and what do you see—

Ms. PASKAL. So I would be very concerned at the moment about the Solomon Islands. There's a case—because of the switch to China, there's the—Premier of Malaita Province, Daniel Suidani, who is recently quite ill, and the central government essentially tried to block his access to medical care outside of the country and, eventually, Taiwan stepped in and provided medical care for him.

And then there were rumors they were going to try him for treason for going—just for going to Taiwan for medical care, and now they're trying to get rid of him.

So I would, personally, be very concerned about the Solomon Island. At the moment, the people of Malaita back him quite strongly.

It's a country that has had civil unrest in the past. In the past, the Australians went in with a peacekeeping force. This time, given the current trajectory of the current government, I wouldn't be surprised if they asked—if something happened if they asked Chinese peacekeepers to come in instead.

So the Solomon Islands is something I'd keep on your radar.

Mr. SHERMAN. And so we do have a conflict between Australia and China if, God forbid, something like that were to happen. I believe my time has expired. I yield back.

Mr. BERA. Thank you, Mr. Sherman.

Let me now have recognize my good friend—he's really been a champion on issues with the Pacific Islands, the Congressman from Hawaii, Mr. Ed Case.

Mr. CASE. Thank you very much, Mr. Chair, Ranking Member. I really appreciate your allowing me to be a part of this critical hearing.

I think as we have all recognized, just recognizing the Pacific Islands and showing up even in a virtual hearing like this is critical to our presence in the Pacific Islands, and I really am grateful for your partnership and founding and maintaining the congressional Pacific Islands Caucus, which you—both of you are co-chairs of and as well as in introducing and forwarding the major bills that we're pursuing from honoring Oceania to the Blue Pacific Act, which are both moving at this point and I think are responsive to many of the concerns that our witnesses have raised here.

So all of that is a good solid start. But a lot of work still to be done, obviously.

I want to go back to the Pacific Islands Forum, because I guess my big question is, are we just going to just let it go? We, collectively, by the way. I mean, not our country. But all of us that care about the Pacific Islands and care about the future of the Pacific Islands.

Of course, I think and believe we would all agree that the regional cooperation and coordination and, as we say in Hawaii, ohana, family, the regional family of the Pacific Islands is forwarded by an organization. The Pacific Island Forum has served that purpose.

And so I hope we would all agree that the risk to the forum posed right now is not a good thing and would be taken advantage of by adversaries. And yet, I think I hear a little bit of a disagreement among our panelists as to whether we should just let it go or continue to work to try to hold it together.

So, Ambassador, are you still able to comment on that? Is it too late for the four or do we need to consider alternative approaches with the forum?

And I agree with your comments, by the way. I don't personally want to see it replaced by, you know, three subregional forums, kind of subforums, although I guess they might have some advan-

tages, but not in replacement for an overall forum style approach. Ambassador Cefkin, are you available? Otherwise, I will go to Ms. Paskal. What's your view of it?

Ms. PASKAL. Thank you. I——

Mr. CASE. I think your view—you seem to have a little bit more pessimistic view and I want to flesh that out a little bit.

Ms. PASKAL. Yes, and I should be clear. I'm not saying abandon the forum. I'm saying that, you know, it's looking like the forum is becoming what it was essentially, originally, which was the South Pacific Forum. So it would be the countries of Melanesia and Polynesia, and then Micronesia and separate.

So it's not saying get rid of the forum. But there are pan-regional organizations like the SPC or SPREP, for example, that do knit the countries together.

What we're talking about mostly is kind of a political cohesion in terms of things like, for example, China. And I think that the operational realities of Micronesia are very, very different than those in the South Pacific.

So there is an argument to be made that you can strengthen the family by giving different members of the family more control over their own say.

The voice, as we saw with the vote in the Marshall Islands, we speak to anybody who's sitting in one of those embassies in Washington.

They feel like they never got their voice heard and if they don't get their voice heard, we don't know what their problems are, if we don't know what their problems are we can't help them resolve it.

Australia and New Zealand were acting as an intermediary for that messaging. So I think that, you know, that might make sense for Melanesia and Polynesia, but in terms of Micronesia, where there are the Freely Associated States and Guam and Saipan, I mean, you know, they let New Caledonia and French Polynesia in but they didn't let, you know, American Samoa in.

You know, so I think that there is an argument to be made that actually the region becomes stronger if you've got that political grouping division. But then with things like training and collaboration and stuff that goes through SPC or it goes through SPREET.

Mr. CASE. OK. Mr. Loi, do you have a view on this?

Mr. LOI. Well, I don't think we should let it sit. But, you know, it would take some nuance in terms of how we engage.

And, you know, part of it is we're not a member in the way that we can influence from within in a direct fashion. So it's indirect. And what it would take for us is to work closely with, you know, other parts of the region to try to help them realize that when they're divided like this that they all lower the their volume of their voice and that they should work together.

This would take a process and it would take a lot of face to face. That's very difficult with COVID right now. But I agree with you, we should not just set aside. We should try to actively get back together.

Mr. CASE. Well, we're not a member, but it seems to me we have been awfully passive about it and that's the distinction.

I mean, we cannot be a member. We can respect the decisions of the Pacific Islands on how to work through the forum-related issues.

But we, obviously, have an interest in a regional organization that works and my concern is that sometimes we have been too passive on trying to get—trying to work with everybody to see whether there's a way out of this as opposed to just letting the forum fall apart.

So that's, perhaps, my concern there. Anyway, my time has expired. I really appreciate it. Again, Chairman, Ranking Member, and all of our witnesses that I've worked with very well already in terms of the guidance, this has been a great hearing.

Mr. BERA. Great. Thank you, Mr. Case.

Let me now recognize my good friend, who's also been a champion on, you know, asking for a special envoy, getting issues with COFA resolved as well as legacy issues from nuclear testing, the gentlelady from the great state of California, Ms. Porter, is recognized for 5 minutes.

Ms. PORTER. Thank you very much. Thank you, Chair Bera, and other members of the committee, for allowing me to participate today. I'm very grateful.

Mr. Loi, as you know, the Compacts of Free Association with Palau, Marshall Islands, and Micronesia are going to expire in the next few years, and those agreements are the foundation of a special relationship between our countries and they give the U.S. military control over a huge area of the Pacific.

In your testimony, you say, quote, "The U.S. Government engages most effectively when it does so with a clear strategic policy implemented through a broad, coordinated interagency approach and guided by focused coordination from the National Security Council," end quote.

By my count, there are 14 different agencies that have important programs in the Freely Associated States. Is there an administration appointee on the National Security Council whose job is to coordinate these agencies for talks to extend the Compacts of Free Association?

Mr. LOI. There is. I mean, it falls under the East Asia Directorate. As I also mentioned in my written testimony, there had been a director with Pacific Islands responsibilities in the Trump administration. Those responsibilities have been folded in under a director who has other geographic responsibilities.

Ms. PORTER. So there's not a dedicated person specifically for the Pacific Islands and COFA?

Mr. LOI. That's my understanding, correct.

Ms. PORTER. Do you think it would help to have a specific person?

Mr. LOI. I think it could help, yes. I think any time you have somebody whose singular focus is a particular area it's—you know, it's harder for them to get distracted by what's happening, say, in Southeast Asia and elsewhere.

And you do need that coordination. As you said, you've got 14 agencies that have equities in the Pacific. You know, you don't go to a negotiating session prepared unless you have somebody that's coordinated all that in advance.

And I'm not close enough now to know, you know, whether that is or is not the case, but it can be difficult.

Ms. CEFKIN. But I would also like to endorse that view that it is in our interest.

Ms. PORTER. To have someone. I mean, I think the Compact talks are not progressing very well. To take just one example, a few weeks ago, the speaker of the Marshallese legislature said that they won't approve a new compact that doesn't address the remaining outstanding issues related to U.S. nuclear tests. To your knowledge, Mr. Loi, is the state Department discussing the nuclear issue with the Marshallese?

Mr. LOI. I'm afraid I don't know.

Ms. PORTER. You don't know. And so what I've seen from my end is the state Department continues to suggest that these issues relating to the nuclear legacy are off the table.

And I'm chairing the hearing tomorrow on the U.S. nuclear legacy in my role on oversight and investigations on the Natural Resources Committee exactly because it's not clear to me that this is not holding up the negotiation, rather than moving it forward despite the incredible importance of COFA.

You know, the Biden administration's priorities—you know, countering China, yes, rebuilding alliances, yes, by funding climate change, yes, racial justice, yes, restoring the U.S. global standing around the world, yes—those are the Biden administration's priorities.

Are those priorities, in your opinion, represented in the Freely Associated States and extending the Compact?

Mr. LOI. You know, I hope they are. You know, I mean, I've been away from these issues of government now for 5 years. So a lot of my information is anecdotal and secondhand.

So I can't tell you with any degree of specificity, I'm afraid, Congresswoman.

Ms. PORTER. It just seems to me that when we look at those priorities I just listed, there are very, very few opportunities that the Biden-Harris administration has to address that many priorities in a kind of singular negotiation and moment, and that they ought to be appointing.

You know, follow through and appointing a designated person with responsibility just for this, and they ought to take your advice, Mr. Loi, and run this process through the National Security Council so that it has the full attention of all of the relevant parties so we can make real progress in the COFA negotiations.

Thank you for allowing me to testify, and I yield back to questions. Sorry. I yield back.

Mr. BERA. Thank you, Congresswoman. And, again, thank you for your leadership on these issues and having an important hearing on the issue of COFA and legacy issues tomorrow.

With that, it looks like everyone's had a chance to ask questions. I'll go ahead and make a few closing comments, and then turn to my colleague, Mr. Chabot, if he has any closing comments.

But I do think there are some really important takeaways from this hearing. Obviously, the importance of the relationship between the United States as well as our like-valued allies in the region,

recognizing the unique challenges that I think each of the witnesses really highlighted.

But the first step is showing up, being present, engaging in dialog and listening to the unique issues in the region and addressing those issues not as part of some great power competition but as the unique issues of the people that live there, and working with the countries.

You know, my conversations with some of the leaders of the Pacific Islands is that they want us there but they also—they want us physically there as well.

And we don't have to do this alone. You know, we should work with our like-valued allies and other Pacific nations like New Zealand, Australia, Japan. You know, elevate the Quad, as one of the witnesses said. Engaging India to help address some of these needs.

I think there's huge opportunities for us and, you know, I look forward to working with my colleagues in Congress in a bipartisan way as well as the administration, and I do look forward to that long overdue CODEL for Members of Congress to go visit some of the island nations and, you know, hopefully, with the—hopefully the last phase of this pandemic we can start to travel to the region again and visit those nations.

And with that, let me recognize my good friend, the ranking member, Mr. Chabot, for any closing comments you might have.

Mr. CHABOT. Thank you, Mr. Chairman. I'll be very brief.

I think this has really been an excellent hearing on a very important issue, and I think it's been brought up a number of times that the U.S. really does have deep ties to the Pacific Islands.

And as the Indo-Pacific becomes increasingly important, those islands, the Pacific Islands, will continue to be critical to U.S. interests in the broader region.

In listening to the testimony and the questions, one thing stands out even more clearly in my mind, and that's that the U.S. needs to become much more engaged with this region.

In many ways, China is way, way more engaged with a number of these island nations than we are and we really need to step up our game and we need to do it fast because this is all happening very quickly.

And so I look forward to working with you, Chairman Bera and Mr. Case, and all the other members, and this panel, I thought, was really superb. I thought Ms. Paskal was particularly persuasive here.

Now, she was our witness but even if that wasn't the case, I really thought she did a tremendous job in setting up why the islands are so important, you know, the first set of islands, the second, the third.

And it goes both ways. It's critical for us countering China. I don't want to say keeping them in a box, but keeping them for what is their ultimate goal, which is to be the hegemon in that region and then throughout the Pacific and probably the world.

But it's also for countering them. It's important, because they want to come out and Taiwan, as we all know, is right up there, No. 1 in their eyes.

So in many ways, this is a great hearing. Kind of scary, especially when you consider Taiwan. But it's very important that we pay a lot more attention to the Pacific Islands than we traditionally have.

And I want to thank you for raising the awareness of that, Mr. Chairman, and I yield back.

Mr. BERA. Great. Thank you, Mr. Chabot.

As all the witnesses and folks that are watching this hearing can tell, this is not a partisan issue. I think Democrats and Republicans, all of us as Members of Congress, view the issue in the same way and view the importance of the region.

So with that, I want to thank our witnesses and the members who participated in this very important virtual hearing.

And with that, the hearing is adjourned and a virtual gavel is banged. Thank you.

[Whereupon, at 12:18 p.m., the committee was adjourned.]