

## THE CHANGING AMERICAN LAKE IN THE MIDDLE OF THE PACIFIC

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Nov. 16, 2017

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*Buenas Noches todos hamyo yan Hafa Adai* from the University of Guam

I want to thank Dr. Alan Tidwell, Director of the Center for Australian, New Zealand and Pacific Studies (School of Foreign Service) at Georgetown University for this opportunity to participate in the Peter Tali Coleman Lecture on Pacific Public Policy. I hope that I do honor to the memory and service of Governor Coleman who not only served as a distinguished Governor of American Samoa but as the Deputy High Commissioner of the old Trust Territory of the Pacific Islands, the structure which preceded the Federated States of Micronesia, Republic of the Marshall Islands, the Republic of Palau and the Commonwealth of the Northern Marianas (CNMI) in the Micronesian Region. His exceptional legacy of service to the island Pacific included being a District Administrator for the Marshall Islands and the Mariana Islands. His service also afforded the opportunity for Congresswoman Amata Radewagen to live in Micronesia and become a graduate of the University of Guam. I thank the Congresswoman for being here this evening.

Aumua Amata Catherine Coleman Radewagen was honored as a Distinguished Alumnae of the University of Guam last month. She is the only Member of Congress to have graduated from the University of Guam, although she is not the only UOG Distinguished Alumnae here this evening. We have with us Dr. Nerissa Bretania Underwood, former Superintendent of Education and former member of the Guam Legislature.

Amata began her connection to Guam via her fathers service in Saipan. Through her tenacity and support of the family of the first President of UOG, Congresswoman Radewagen earned a degree in psychology. And she has been putting that degree to use for the rest of her public and personal life. I present to her the Distinguished Alumnae of the Year Award for the College of Liberal Arts and Social Sciences, University of Guam.

### LEAGUE OF NATIONS MANDATE TO STRATEGIC TRUST TERRITORY

The area under discussion this evening is the U.S. affiliated islands in Micronesia. This is a curious way of referring to independent nations, the Territory of Guam and the Commonwealth of the Northern Mariana Islands (CNMI) which comprises Micronesia and are located within the "American Lake." U.S. affiliated disguises the relationships of direct control over Guam and the CNMI and perhaps overstates the relationships with the technically independent and freely-associated states of the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM) and the Republic of Palau (ROP). U.S.-affiliated is a midpoint.

Today, I want to discuss the relationship of these islands to current and future strategic/security issues in the Asia Pacific Region. These islands have historically been important to the strategic situation in the Asia Pacific Region. President Trump now refers to the entire area as the Indo Pacific Region. He hasn't had the opportunity yet to rename Micronesia, but he may yet remind us that we are just "little islands" in the middle of a big ocean. The Micronesian islands strategic importance or lack thereof has always undergirded policies towards the islands over the years by the U.S. From the end of World War II until the end of the 20th century, the geographical expanse was thought of as the "American lake."

These islands haven't always been U.S. affiliated. Historically, these islands (except for Guam) were part of a Japanese League of Nations Mandate up until World War II. Guam was the American isolated island in the midst of an increasingly militarized, set of islands occupied by Japan running up to World War II. The war in the Pacific brought an end to the Japanese administration and the islands collectively were brought into the postwar world as the Trust Territory of the Pacific Islands (TTPI). As with other entities detached from enemy states of World War II and holdovers from the Mandate System, the Trust Territory was created under the aegis of the United Nations. However, the TTPI was designated a "strategic trust" in 1947. Unlike other Trust Territories, the TTPI could only be dissolved by the Security Council and not by the General Assembly. The US has a veto in the Security Council and it was the only Trust Territory that held this special designation.

#### STRUGGLING OVER THE ADMINISTRATION OF THE AMERICAN LAKE

The use of the term "American lake" was first used immediately after World War II as the American bureaucracy argued over who would manage the newly acquired area. Concern about a possible Pearl Harbor in the future and the looming rivalry with the Soviet Union, American military planners were crafting new ideas over how to militarize the islands. This generated a rivalry between the Army and Navy. Eventually united under the Department of Defense, they struggled with the Department of Interior over who would administer the islands. These struggles are outlined in Friedman's [Arguing Over the American Lake: Bureaucracy and Rivalry in the US Pacific 1945-47](#) (Texas A&M, 2009). Eventually, the Department of Interior became the administering agency as one of the final decisions under the Truman Administration. This brought the Trust Territory administratively on the same level as the territories of the United States like Guam, American Samoa and the Virgin Islands. This hybrid situation in which the Department of Interior has administrative management of programs in the foreign countries of the freely associated states in Micronesia continues today.

This did not keep the DOD and security agencies from operating in the Trust Territory. The actual militarization of the islands was made possible by the distinctive "strategic trust" in 1947. Over the next decade, nuclear testing in the Marshall Islands and the reputed use of the Saipan in the Marianas as a counter-insurgency training facility named the Naval Tactical Training Unit. This included activities in Southeast Asia and assisting Nationalist Chinese. The absolute arrogance of these activities was given various justifications at the time. It was classic imperialist exploitation papered over with the flimsiest of authority. As we look at those days, the old saying in the Trust Territory comes to mind. The islanders had the trust and the Americans had the territory.

Whether it was Interior or DOD, the UN General Assembly or Security Council, Guam was always considered differently because of its territorial status. Although it was placed in the UN system of “non-self-governing territories,” Guam’s militarization was always going to be the central point, the cross roads of American military resources and strategy in the American lake. Guam easily became the most militarized island society in the entire Pacific after World War II, with Okinawa and Hawaii having a larger presence, but proportionately and comparatively impacting less of each island’s way of life and land mass. No one could compare with the militarization of Guam. Almost 50% of the island was taken for postwar military bases and the island’s transformation into the power projection point for America into Asia quickly became cemented. Army bases, Air Force Bases, Navy facilities were large and their combined population was larger than the civilian population until 1960.

Guam’s role in Korean War and the Vietnam War reflected the main purpose of the use of these islands in the projection of American power into Asia. Guam was the platform for the projection of power and it was not originally limited to ships and planes, but included Army bases. In the 21<sup>st</sup> century, Guam will be home to a rotating force of 5,000 Marines. Guam has always had the “7/7” advantage over Hawaii in that it is closer by seven sailing days and seven flying hours to potential conflicts anywhere in Asia. Moreover, it did not require the “mother, may I” requests needed in the utilization of bases in foreign countries whether it was the Philippines, Thailand, Korea or Japan in the succeeding decades after World War II. Guam was the metropole of the American military/strategic lake. In combination with the TTPI, Guam gave Lake America form and substance. The lake provided a strategic security blanket for the U.S.

## DECOLONIZATION

During most of the course of the Cold War, this American lake was a mainstay of strategic thinking about the US and Asia. With the rise of discordant voices, it became clear in the 1960s that the US needed to deal with the future political administration of the TTPI. After all, the US resisted the notion of imperialism and denied the existence of colonial areas. However, unlike other Trust Territories, there was no movement towards anything approaching independence and the US needed to be prodded into action. The neglect of the TTPI under the Department of Interior and the abuses of authority became part of the propaganda of the Cold War as played out in the United Nations. This became particularly acute and embarrassing as the forces of decolonization swept the former imperial holdings of The United Kingdom, France and others.

In response, the U.S. increased resources spent in the Trust Territory by almost 1000% over the course of 5-6 years beginning at the tail end of the Kennedy Administration. Also in the Kennedy Administration was the issuance of NASM No. 145 better known as the Solomon Report. It outlined a plan to politically assimilate the people of the TTPI under American sovereignty. This plan was developed while the US spoke of meeting its international responsibilities of leading the inhabitants of the TTPI towards independence as was the expectation of every other Trust Territory. This was the vision of how to keep

the strategic picture in tact without major risk. It was the political blueprint for an American Lake in the middle of the ocean.

The islanders themselves had different expectations about their future. The post-World War II generation of Micronesian leaders was educated and aware about their options. Ironically, they were assisted by Peace Corps volunteers originally sent to the area to serve as extensions of American influences. As the activities of the islanders confounded the expected outcome of the Solomon Report, the concept of political assimilation was abandoned in favor of a freely associated status. The centrifugal forces of ethnic divisions and geographic distance eventually prevailed and three freely associated states were created. In order to assuage the Marianas Islanders (who were predisposed to join with Guam as in former times) and in order to act as a hedge for future military activities, the CNMI was established. The new addition to American sovereignty gave military planners land options in Tinian and the right to exercise sovereign authority. This was absent in the freely associated states except for the site in Kwajalein, Republic of the Marshall Islands.

## STRATEGIC DENIAL

While the negotiations worked their way towards the compacts of free association and independence, the strategic picture still seemed secure. The Cold War came to an end and all that was needed was to ensure that Americans could always keep others from coming into the area. The concept of “strategic denial” emerged as the descriptive phrase for the region’s strategic posture and American objective.

John Fairlamb of the Office of Compact Negotiations for the State Department stated in 2002, “The most significant U.S. interest at the time the Compact was negotiated was the value placed on the right to exercise strategic denial of over half a million square miles of the Pacific between Hawaii and Guam to the military forces of other nations. While the Cold War is over, no one can foresee what specific threats may have to be addressed in the future. The Bush Administration's security policy includes a strong focus on the Pacific Region. Strategic denial, therefore, remains a prudent "insurance policy" for U.S. security in the Pacific.”

Strategic denial means that defense agreements and foreign policy coordination would always keep America pre-eminent in the region since other potential challengers could be kept out. Large flying areas east of the Marianas, use of Farallon de Medinilla (FDM) for target practice could be reserved for air craft training exercises by US and friendly nations. Waters around the islands provide more than adequate maneuvering for war ships including submarines. The three carrier task forces recently summoned to Korea for a show of force are now sailing through the Western Pacific and conducting training exercises in the area.

The compacts with the Marshalls and the FSM were negotiated in the 1980s and passed by Congress in 1986. They were subsequently renewed in 2003 for another 20 years and are scheduled for termination in 2023. The CNMI came into existence in 1976 and the Republic of Palau compact went into effect in 1994 for 50 years. These agreements provide the basis for strategic denial. The compacts allow the

United States to operate armed forces in Compact areas, to demand land for operating bases (subject to negotiation), and excludes the militaries of other countries without U.S. permission. The U.S. in turn becomes responsible for protecting the freely associated states and responsible for administering all international defense treaties and affairs, though it may not declare war on their behalf. It is not allowed to use nuclear, chemical, or biological weapons in Palau territory. In the RMI and FSM, the US is not allowed to store such weapons except in times of national emergency, state of war, or when necessary to defend against an actual or impending attack on the U.S., the RMI, or the FSM.

As part of the compacts of free association (COFA), citizens of the associated states may serve in America's armed forces. This is not a minor factor in the relationship between the U.S. and inhabitants of the American lake. In 2008, the FSM had a higher per-capita enlistment rate than any US state and had more than five times the national average casualty rate per capita in Iraq and Afghanistan. Moreover, military enlistment frequently attracts the best and the brightest in the relatively small populations of these island communities. It is sometimes seen as a disruptive kind of opportunity which is coveted by individuals. The recently release movie "Island Soldier" outlines the impact on Kosrae, one of the states of the FSM.

Within the past two decades, doubts about the American lake started to surface as the rise of China economically and militarily became a prominent international phenomenon. China's willingness to confront nearby nations on territorial claims and the expansion of their Navy has been joined to its growing economic power to present a potential challenger to American pre-eminence.

In 1997, Eric Margolis wrote that the Pacific won't always be an American lake. Writing in the Toronto Sun at the time of the turnover of Hong Kong, Margolis noted that China's economic growth is feeding its military modernization. Part of this growth is the renewal of Chinese territorial claims in the South China Sea. He counsels that the US should accept this in good grace and understand that criticisms about a lack of democracy or human rights in Hong Kong or other places is seen by China as slightly hypocritical. The US accepts authoritarian regimes in the Middle East when American interests are at stake.

#### END OF THE AMERICAN LAKE -21<sup>st</sup> CENTURY

Fourteen years later in 2011, Margolis declared that the North Pacific is No Longer an American Lake. This assertion came as a result of China's growing maritime power (reflected in 60 modern submarines) and the development of the J-20, a stealth aircraft and two aircraft carriers (one already launched) and the next one in 2020.

Writing in the Diplomat last year (2016), Thomas Matelski warns that the end of the compacts scheduled in 2023 and possibly accelerated "will inadvertently drive the Micronesians into the arms of China and simultaneously leave a gaping hole in strategic access." The implication is that strategic access for China is possible and is now undermining any notion of strategic denial. The Chinese First, Second and Third Island Chain strategy articulated in the 20<sup>th</sup> century now has the Chinese being able to access

the second chain which runs down from Japan through the Northern Marianas, FSM and Palau to the edge of PNG. This is the approximate extent of the projection of Chinese naval power today. The Third Island Chain runs from the Aleutians to Hawaii and seems pretty remote at this time. Matelski warns that an FSM falling into a long-term sphere of Chinese influence “leaves Guam at risk and other key allies in the region with much more to think about regarding the relationships with the U.S.” This is a sobering view of the possibilities of China’s entry into the former American lake and the disruption of the entire security picture.

Chinese military planners tried to preempt the “island chain” thinking earlier this year. Eli Huang in the *National Interest* (May 2017) writes that the Peoples Liberation Army Navy (PLAN) criticized the island chain strategy as originally an American concept. The chains were the basis of containment for the US of influences going eastward. The Chinese counter to the containment was to outline the areas of penetration and the extension of their own Deepwater Naval capabilities. The island chains are now labeled “psychological barriers” which serve as mere navigational tools for the Liaoning carrier group to travel around the Pacific hundreds of miles away from the Chinese coast. What used to be seen as a limitation is now a guide for the next stage.

These Chinese military strategic assets do not really pose a challenge to American military assets as they exist today, but they demonstrate penetration and they provide evidence that the waters are a contested field. The lake has become a river of military and economic currents from various sources. In combination with economic penetration and diplomatic initiatives, the role of China becomes larger in the life of Pacific islanders, especially in the FSM. Although many young people join the US military today, it is also rumored that dozens are attending universities in China. Inevitably, they will return to the FSM, speak Mandarin, have some affinity for China and will become prominent in the future life of the FSM.

In discussing security concerns in Micronesia, U.S. agencies (State, Justice and sometimes DOD) have emphasized concerns about transnational crime as security vulnerabilities in Micronesia, especially with relatively weak governmental capacity to monitor and fight sophisticated criminal organizations coming from Asia. More significant is the economic penetration of the region. In “China is Making Inroads in Micronesia”, the *Pacific Island Times* reported (Feb. 7, 2017) on dominant tourism to Palau from China, the construction of a mega-resort in Yap by Chinese developers, the reliance on China for tourists in the Northern Marianas and the Best Sunshine Casino in Saipan. These economic activities need not be seen as strategically disruptive except that claims going back over ten years by various Chinese observers have described economic assistance and penetration as vehicles for political, not necessarily military strategic penetration. Combined with a rash of stories about Chinese spending on public buildings and goodwill projects in the South Pacific, China is clearly extending its influence in and beyond the former American lake.

STRATEGIC SECURITY FOR WHAT

Today, we not only have a different situation with China in the, we have a potentially radically different situation regarding the purposes for which we pursue American military strength and strategic stability in this part of the world. The purpose of the extension of American power and influence in some system of international security has shifted over time, but the admixture of goals includes a robust list of national objectives which include political influence, economic penetration and democratic values.

Strategic security based almost entirely on military strength stands on its own only in times of extreme conflict as in war or in the positioning of America in the immediate post-World War II period. In those times, it was pretty obvious that the onset of the Cold War shaped the dynamics of what happened in the American lake and undergirded the rationale for nearly all activities. In nearly every possible way, the positioning of American forces in Guam and in Asia combined with the concept of “strategic denial” for the areas covered by the Trust Territory of the Pacific Islands gave the U.S. unchallenged strategic-military strength in the area. This was designed to prevent competitors from having the opportunity to shape or challenge the strategic balance which was largely in America’s favor.

The United States did this so that it could maintain its political influence, engage in commerce and foster trade in the larger Asia Pacific region which would be of mutual benefit. As a nation, America also engaged in humanitarian projects and touted democratic values. Strategic security doesn’t exist for its own sake but is meant to provide an international order that is favorable towards American interests. These are broadly defined to include economic objectives such as increased trade and subsequent prosperity for all concerned. Economic penetration and the development of mutually beneficial relationships are balanced on the basis of overarching security and national interests. There is also the extension of American interests and purposes which speak to the values of American society; the extension of democracy and the protection of human rights.

These are sometimes connected to economic objectives and fairness as when we speak of rule of law and the protection of intellectual property. It is a complex series of objectives which require soft and hard power, the State Department as well as the Department of Defense and a strategic vision about American interests which goes beyond flexing muscles. We don’t flex muscles just to demonstrate that we have them.

Depending upon the era and the leadership at a given moment, American national interests are defined in terms of a world order dependent upon American power or a world order influence by American values. These are usually connected in what appears to be a seamless approach. They are not easily separated and shouldn’t be. Pursuit of strategic stability, economic benefits and democratic values simultaneously or in some combination marks the United States as unique among nations. Of course, they are not equally pursued in different circumstances, but human rights and democratic values should carry the day in certain circumstances. This was the American hand that has been played since the end of World War II. This hand is not as clear today in the Trump Era. In the Trump Era, democracy and human rights are barely a whisper in the cacophony of international relations.

In the recent Asia trip by President Trump, we bore witness to an interesting mixture of personal diplomacy, economic uncertainty and disengagement and a display of military strength with no

apparent purpose other than to display some kind of resolve. We display our resolve without clarifying our resolutions. The President clearly articulated his view of the world as consisting of bilateral trade relationships, state sovereignty and an increased use of the term Indo-Pacific Region. Somehow, this is supposed to decenter China as the center of Asia Pacific dynamism. Its primary previous use has been to discuss maritime movements between the Indian Ocean, across the South China Sea and into the Western Pacific.

This was in stark contrast to the Asia Rebalance and Pacific Pivot so often spoken about by President Obama that it was almost routine. The new balance never quite got here and the pivot only started when Obama's presidency ended. For his part, President Trump relabeled the region, announced his withdrawal from the Trans Pacific Partnership and announced that he was going to bilaterally fix all of the trade issues left over from previous administrations. It seems like the President resists the Rebalance and the Pivot not because they were defective, but because they were not his.

The TPP was the American antidote to Chinese economic growth. Interestingly, it is still going and Japan has played a leading role. The negotiations for reducing or easing trade barriers continued on in Danang Vietnam as part of APEC even as the President went to the Philippines. The President's desire to bilaterally fix complex trade deals while everyone is acting multilaterally seems out of sync. In Forbes Magazine, Phil Levy writes (Nov. 10, 2017) that Trump's approach reflects "core misunderstandings about how trade works" and focuses on making individual trade deals while ignoring trade relationships. He remains focused on deals.

In the Philippines, there was no effort to focus on President Duterte's extrajudicial killing of thousands of drug dealers. Human rights and the rule of law were glaringly absent in the words exchanged in Manila. The White House claimed that "human rights" were mentioned in direct talks. The Philippines made no such acknowledgement. The concept of human rights was relegated to a minor commodity in the establishment of the bromance between Rodrigo and Donald. Even as the two leaders proclaimed their love for each other, the U.S. has now slipped to number three as a trade partner for the Philippines. Actual trade and human rights were both slipping from the scene. It opens up the question about the meaning and purpose of international relations and military strategic security for the U.S.

Military security in this strategic picture carries no greater vision or greater weight beyond itself in achieving American national goals because the goals are limited and restrictive. The grander purposes to which the extension of American soft and hard power now seem unclear as American goals appear to shrink under the retrenchment of Making America Great Again. The role of military security becomes defensive in tone rather than shaping the environment. The former American lake had extensive American military activities that traversed the region. Today, it still does. The lynchpin of the lake was Guam with a robust military capacity that could project power into Asia and other parts of the world easily and with extensive fuel and weapons storage facilities. Guam was the "tip of the spear" and the surrounding islands supported the tip by denying others the opportunity to affect the spear.

Guam is experiencing an expansion in military presence which will bring 5,000 Marines to Guam on a rotating basis. With the Marine Corps buildup, Guam's spear tip will be sharpened through live fire

training capacity in Guam and access to facilities in the Northern Marianas. Local community opposition in both Guam and the CNMI has delayed these projects although presumably they will continue in some fashion. Interestingly, CNMI leaders are emboldened in their opposition by the investment of a multi-billion dollar casino in Saipan (3-7 billion). The investors are from Macau. The potential economic benefits of military activities are easily overshadowed by this massive foreign investment.

The American lake no longer exists as an exclusive enterprise. However, the region is still American dominated through communications networks, transportation routes, financial activities and political relationships cemented in treaty provisions in the compacts of free association, Guam's military presence, and access to huge areas for naval and air force exercises. Despite all of this, it certainly feels different today than thirty years ago when the compacts of free association came into being. The lake used to have an integrated purpose that combined American democratic values, economic benefits and penetration with political participation and partnership. Right now, it seems like it is just the military and it feels defensive. The tip of the spear understands the meaning of being thrust into uncharted conflict, but right now it feels more like a shield than a spear.

Guam remains at the strategic center of the region due to the extensive military assets on the island. In former days, Guam felt like it was the center of the region for all other purposes as well. But there has been a subtle change. It is important to note that U.S. legal sovereignty extends only to Guam and the CNMI (a combined 995,000 square kilometers in its EEZ). The COFA states have a combined 5.5 million square kilometers in its EEZ. Guam and the CNMI may become increasingly isolated rather than the vibrant home to countless regional relationships and centers. There is lots of water in the lake and most of it doesn't belong to the U.S.

## THE FUTURE OF THE ISLANDS AND THE ISLANDERS

As we face the prospect of the renegotiation of the compacts as they terminate in 2023, America must consider what its long term purposes are for the broader Asia Pacific or Indo Pacific Region. America must think about the role of the islands within that purpose. While it makes those calculations, it must re-engage the islanders themselves in political and economic projects which are based on respect for the unique history of the islands, islander aspirations and the right to a unique future. To view them as part of an American lake in today's world seems backward and colonialist. To see them as partners in a broader plan to democratize and humanize the world is the appropriate path to take, but only if that is what both the US and the islands are seeking. To see the islands only as the base and basis for military strength is to take us back to the imperialistic and arrogant days of the early Cold War.

In 2003, I wrote that the compacts of free association will become more compact and less free due to American policy makers concerns over accountability for funds and the efficacy of spending billions for Micronesian entities. Then and now, I still think that accountability as an issue in the relationship between the freely associated states is exaggerated and pales in significance to establishing a peaceful and stable Asia Pacific Region.

The concern over accountability was so strong in the early part of this century that the Government Accounting Office (in response to Congressional inquiries) concluded in 2002 that the value of “strategic denial” was overrated and irrelevant in the post-Cold War world. I offered that the American lake could possibly be replaced with an American lagoon. While largely enclosed, a lagoon is still open to outside currents. Whether the lake, lagoon or river metaphors are in play is up to defense and foreign policy intellectuals. It is clear that the lack of clear American national goals as expressed through a coordinated State/Defense in the Trump Era exacerbates the situation and is inherently disruptive.

The compacts will be renegotiated, the discussion over military presence in Guam and the Northern Marianas will continue and there will be some effort on Guam’s part to negotiate a new political status. These intra-region trends will be ignored in the new era because the larger American national purpose in the region seems to lack focus right now. This spells uncertainty and undermines both America’s national purpose and islander aspirations which go beyond military strategic purpose.

Perhaps in another year or two, it will clear up and we can then focus on the region, the islands and the islanders themselves in a healthier, stable and secure world in which prosperity, democratic values and respect for others are standards to be pursued. Perhaps not. It largely depends on Island leadership which understands regional connections. It is clear that the regional vision will not emanate from here in Washington DC except as an afterthought.

*Si Yu’os ma’ase’* and thank you.