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**RESTORATION OF US AID TO FIJI:  
THE ADVANTAGES OF OBSCURITY**

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# Report Documentation Page

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## **SUMMARY AND INTRODUCTION**

On May 14, 1987, Colonel Sitiveni Rabuka overthrew the democratically elected government in Fiji. The bloodless coup precipitated sharp responses from the U.S. Most importantly, the U.S. suspended all economic and military assistance to Fiji.

This paper focusses on how the U.S. subsequently restored economic assistance. The process involved bureaucratic politics and interplay between the executive branch and the Congress. The Reagan administration set a precedent in its use of a section of law permitting the President to restore aid flows if deemed in the national security interest of the U.S.

Had Fiji been a major player in the world arena, this would never have happened. It has not been repeated thus far. In that sense, Fiji's relative obscurity and unimportance were advantageous.

### **PHASE ONE**

#### **Background**

In the context of the South Pacific, however, Fiji was prominent, frequently cited as a model island democracy before the coup. Its democracy rested on a system of elite Fijian chiefs. On the surface, Fiji appeared to enjoy relative racial harmony between its two major ethnic groups, indigenous Fijians and Indians.

British sugar cane planters imported Indians as indentured servants in the 19th century. When eventually freed, the Indians decided to stay. Their numbers grew and by the 1980's they formed about one half the population. The Indians' influence increased as

well as they left the sugar cane fields and entered the managerial class.

These developments changed the political balance. During the 1987 national political campaign, the Indian-led National Federation Party joined ranks with the Fiji Labour Party to form a Coalition. Disaffected indigenous Fijians, not of the "chiefly" class, tended to join the Labour Party. The Coalition defeated the incumbent Alliance Party in the April 1987 election. Alliance had held office for seventeen straight years the under the leadership of Ratu Sir Kamisese Mara, supreme chief in Fiji. In addition to gaining a majority in parliament, Coalition leader Dr. Timoci Bavadra, an ethnic Fijian and Labour Party leader, became prime minister. A medical doctor, not a politician, Bavadra was soft-spoken and mild. He tended to rely on Indian politicians for advice, and some critics believed him to be a front man for Indian interests.

The perceived threat of encroaching Indian power prompted Colonel Rabuka, an ethnic Fijian, to stage the first coup in Fiji's history. He had the direct support the Royal Fijian Military Force (RFMF) and indirect support of many other ethnic Fijians. Their major objection to the Coalition victory centered on their understanding of Fiji's 1970 constitution. They believed an underlying assumption of that document was that political power would remain in the hands of the ethnic Fijian community. The election resulted in the Indian community gaining predominant political influence in the parliament.

On foreign policy, the Coalition also posed problems for

Rabuka and his supporters. First, the Coalition's campaign platform endorsed a ship visit policy similar to that of New Zealand's, making "Neither Confirm Nor Deny" (NCND) inoperable for US nuclear ship visits. Second, the Coalition platform called for a nonaligned stance on the international stage. These two positions represented a sharp departure from the Alliance Party's positions. Ratu Mara's governments had welcomed US ship visits to Fiji and had no problems with the NCND policy. Further, Fiji had consistently supported the U.S. in international fora. Indeed, Fiji had one of the best UN voting records in support of the U.S. and contributed troops to the UN Interim Peace Keeping Force in Lebanon.

#### **US Reaction**

The US government had no advance indication that a coup was imminent. Some Fijian elements engaged in public protests after the election, but they did not seem to pose a challenge to democratic institutions. All outside observers and most Fijians were taken by surprise when Rabuka took control.

The U.S. reacted negatively to the coup. The executive branch and Congress were united in this position. During the first hours after the coup, the U.S. conveyed to Rabuka its displeasure at his actions and the importance of upholding democratic institutions. That same day, the U.S. suspended economic and military assistance in accordance with Section 513 of the Foreign Operations, Export Financing and Related Programs Appropriation Act (FOERA). This Section stipulates that **"None of the funds appropriated or otherwise made available to this Act shall be obligated to finance**

**directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree (1)."** The bilateral assistance affected, \$1.357 million in fiscal year 1986 emergency support funds and development assistance, was small but important symbolically.

The U.S. also initiated contacts with Fiji's traditional allies: Australia, Great Britain and New Zealand. They suspended their much larger aid programs to Fiji as well. Neither the U.S. nor these countries broke relations with Fiji, but they did lower the level of relations. When US Ambassador to Fiji Edward Dillery concluded his tour in July 1987, the U.S. deliberately postponed sending his successor.

## **PHASE TWO**

Months of maneuvering and political wrangling ensued after Rabuka's coup. Fiji's Governor General Ratu Sir Penaia Ganilau, on the advice of Fiji's judiciary, assumed responsibility for the daily operations of government. He adjourned parliament and created a council of advisers. For months he worked with Alliance Party and Coalition leaders to restore normalcy. On September 25, 1987, just as Ganilau seemed to be succeeding in forming a transition government with balanced representation from the Alliance and Coalition, Rabuka intervened again, declaring Fiji a republic and announcing that he was head of government until a new constitution could be written and elections held. Rabuka felt that Ganilau's government would have given too much power to the Indians.

Other than criticize Rabuka's latest action, the US executive

branch took no new concrete actions. The Congress did, however. The House Subcommittee on Asian and Pacific Affairs held hearings on October 8, 1987. State sent Ambassador J. Stapleton Roy, Deputy Assistant Secretary for East Asian and Pacific Affairs (EAP) to testify before the Committee. Dynamic, well-informed and tactful, Roy was effective with the Members. He explained US policy in Fiji and current developments. He handled well tough questions from Subcommittee Chairman Stephen Solarz (D-NY) and Congressman Robert Dornan (R-Calif.).

Both Congressmen expressed particular concern for the rights of the Indian community. Solarz' interest stemmed in part from his previous experience as Chairman of the House Subcommittee on Africa. Solarz was a prime mover in getting sanctions legislation enacted in South Africa. He was genuinely interested in the human rights of Indians in Fiji. No one wanted an Apartheid system like that of South Africa's directed against Indians in Fiji. Solarz got much mail from the Indian American community about Fiji (2).

Solarz comes from a largely Jewish district and occupies a relatively safe seat in New York. State Department officials heard continuing rumors that Indian Americans supported Solarz financially. Federal Election Commission records for the election campaign in 1988 confirm this. Solarz received contributions from two Indian American Political Action Committees (3).

The records do not show such contributions for Dornan, however. His vocalness on behalf of Indians in Fiji puzzled some EAP officials as the Congressman is from conservative Orange County. Ostensibly, he would be wary of groups which even hinted

at renegeing on NCND. A possible explanation for his stance is that there is fairly vocal Indian American community in California. Dornan may have been seeking their support in some way.

Dornan indicated during the hearings that he wanted to be included in any study trip Solarz planned to take to the Pacific. Further, Dornan introduced a resolution during the proceedings. It called for the recognition of the rights of all people in Fiji and stated opposition to any action to solve the political crisis in Fiji "not representative of all the peoples (3)." The resolution passed the full House on October 27, 1987.

### **PHASE THREE**

Meanwhile, the political and economic situation in Fiji atrophied. The self-appointed protector of the supreme rights of indigenous Fijians, Rabuka never seemed completely comfortable on center stage. He lacked the finesse and perhaps ultimately the interest for politics. It became apparent that if he genuinely wanted a new constitution for Fiji, then the composition of the government had to change.

Finally, on December 5, 1987, Rabuka returned the reins of government to civilians. Rabuka still had much power, as he became Minister for Home Affairs, a combination of the defense and interior portfolios. There also was a tacit understanding that whatever new political compact evolved, Rabuka would have to agree to it.

Under the new civilian interim government, Ratu Mara became prime minister again. His reemergence lent hope to the situation. The "George Washington" of his country who led it to independence

from the Britain, Ratu Mara was the premier statesman in Fiji and the South Pacific island nations at large. Through a series of decrees, his interim administration established an operating framework for the executive, an independent judiciary, and enumerated basic human rights. Mara pledged to return Fiji to democracy with fresh elections under a new constitution reflecting the rights of all Fijians, indigenous citizens and Indians alike.

#### **PHASE FOUR**

##### **Background**

Ratu Mara's assumption of power set in motion moves to normalize relations with traditional allies. In the State Department, EAP orchestrated the details of US policy toward Fiji. EAP consulted regularly with NSC officials at all levels on Fiji, and the two bodies were almost always in sync. Similarly, EAP and CIA had compatible views on the situation in Fiji. EAP's approach toward the island nation reflected consensus views within the executive branch.

Both the Reagan administration and the Congress were concerned over disturbing developments in the Pacific during the eighties. For example, two island nations, Vanuatu (formerly New Hebrides) and Kiribati (formerly the Gilberts) signed fishing treaties with the Soviet Union. For the South Pacific, extremely pro-Western since the end of World War II, these were astounding events. In addition, New Zealand's revised ship visit policy undermined the Australia, New Zealand, U.S. (ANZUS) security treaty. Lastly, the Libyans opened an office in Vanuatu, sending off alarm bells in the US foreign policy community.

The Reagan administration began paying more attention to the South Pacific. Secretary of State George Shultz, who had served as a Marine in the South Pacific during World War II, tried to visit at least one Pacific island during each of his trips to the Far East. Shultz was the first secretary of state to meet with South Pacific island leaders at the UN in 1988. Regarding Fiji specifically, in 1984, the U.S. invited Ratu Mara to visit Washington where he met President Reagan.

The initiative for the bilateral assistance program stemmed from that trip to the U.S. Mara received a pledge from high level US officials that a bilateral assistance program would be initiated for Fiji. This angered and surprised mid-level bureaucrats at the Agency for International Development (AID). First, they had not been consulted by EAP that this subject would be raised. They regarded the shaping of aid programs as AID's prerogative. Second, they felt that the very small sum allocated for the bilateral Fiji program would be better spent on multilateral projects. An EAP official reported that when the coup occurred, the mid-level AID official in charge of Fiji "leaped" at the opportunity to halt the program (5). This was not because of the coup harmed democratic processes, but more because AID felt EAP "had pulled a fast one."

### **US Reaction**

Ratu Mara reopened the issue of aid and improved relations with the U.S. in general in February 5, 1988 letter to Shultz. He wrote that, "we are devoting every effort and resource to the immediate restoration of stability and growth in our economy. In these endeavors we would of course welcome every possible support,

including overseas assistance... sincerely hope we can both agree that we should now look to the future and together work toward the further strengthening of mutual understanding and cooperation between our two countries (6)."

EAP took a long view toward Mara's approach and developed an overall strategy toward Fiji. The positive strategy stemmed from 1) the need to encourage Mara to continue in the direction he had taken and 2) the movement of most of the international community toward restoration of economic aid and full diplomatic relations with Fiji. In a February 8, 1988 memo to Shultz, EAP proposed sending the new ambassador designate, Leonard Rochwarger, to Fiji immediately. The bureau also recommended seeking a release on the hold on economic, not military, assistance to Fiji. In this regard, EAP suggested taking soundings on the Hill. Shultz approved all the recommendations.

EAP faced a problem in finding a vehicle by which assistance could be restored. The intent of Section 513 of the FOERA in mandating suspension of assistance in the event of a coup is to support democratically elected governments. That Section further stipulates that assistance can be restored if the President determines and reports to appropriate Congressional committees that subsequent to the termination of assistance, a democratically elected government has taken office. As EAP wanted to show support to Mara's efforts before the government took office, Section 513 did not fit.

Instead the bureau chose to rely on Section 614 (a) (1) of the Foreign Assistance Act. This section permits the President,

following consultations with Congress, to authorize the furnishing of assistance without regard to statutory restrictions.

Somewhat surprisingly, AID supported EAP in its efforts to restore assistance. AID's attitude toward Fiji's bilateral program and aid to the South Pacific in general changed with the arrival of Mrs. Julia Chang Bloch. Bloch was named the AID Assistant Administrator for the Pacific and elsewhere in 1988. A political appointee, Bloch had strong White House ties. She indicated to her subordinates she wanted to make the Pacific a "showcase." One AID official reports that Bloch did not promote this line because of her ethnic Asian background, but wanted to take the lead from the White House and that is the way she read the administration policy (7). AID officers soon followed suit and supported EAP's efforts.

The attitude of State's Bureau for Legislative Affairs (H) and Bureau for Legal Affairs (L) was basically that of benign indifference. Both bureaus' assistant secretaries cleared the strategy proposal from EAP. That did not mean that EAP had their enthusiastic support. A Presidential waiver under Section 614 had never been utilized before to restore assistance to a country after a coup (8). Both H and L representatives did not believe EAP had much of a chance in succeeding; and at the same time they believed that the EAP's effort, even if it failed, could do little harm on the Hill to State's wider interests. EAP officers were aware of this reality. They were continually boosted by Ambassador Roy. In the words of one EAP officer involved in the process, the popular Ambassador Roy "could have you chasing windmills and you wouldn't

really know it (5)."

In the spring of 1988, EAP made informal soundings of Hill staffers with respect to the waiver. The House, rather than the Senate, was the focal point of the effort. Initially, the staffers indicated that they would support a Presidential waiver if Ambassador Rochwarger endorsed it.

Rochwarger enthusiastically did so in an April 1988 cable (9). He pointed out that the restoration of assistance would keep the normalization process alive, and by promoting economic recovery, would prevent critics of constitutional government from again intervening in the nation's political life. After receiving copies of Rochwarger's message, the military chimed in. JCS Chairman Admiral Crowe and CINCPAC Admiral Hays sent cables supporting Rochwarger (10;11). Crowe in particular stressed the importance of US national security interests to the restoration of economic assistance. The military's position reflected concern over the weakening of the ANZUS security alliance and a possible change in Fiji's ship visit policy should certain Coalition elements regain power.

Despite support from these parties for restoration, by July 1988, EAP began receiving mixed signals from the Hill. Some staffers were disinclined to push for restoration of aid, not for political reasons, but because the amounts were "too small" to have any significance. Others had questions about restoring economic aid without having a firm idea of the representation of the various communities under a new constitution.

Negative events concerning Fiji probably prompted the change.

In Australia, officials seized a mysterious 12 ton shipment of Soviet made arms bound for Fiji. The following month, Fijians discovered a Soviet arms shipment in-country. As a result, Fiji's interim government promulgated Security Decrees expanding the powers of arrest and detention and extending controls over the media and educational institutions. The interim government gave the U.S. assurances that the decrees would be applied judiciously and in a limited fashion. However, the possibility of human rights abuses alarmed the Indian community and its friends.

At this stage, EAP's strategy seemed to flounder. Again, Stapleton Roy stepped in to aid the cause. During a trip to Fiji, Roy met with Ratu Mara. Roy heard Ratu Mara's displeasure with the U.S. over the aid suspension. Mara noted that the U.S. gave assistance to Uganda, a country with far greater human rights problems than Fiji. Further, Mara complained that continuing the hold on economic assistance represented "a lack of confidence in my efforts to restore constitutional government." Following the Roy/Mara meeting which he attended, Ambassador Rochwarger sent a message that "support for Mara remains the best hope to help restore a degree of multi-racial democracy in Fiji (12)."

EAP officers pressed with a renewed effort. They prepared a memo to Shultz in August 1988 recommending that he forward to President Reagan a proposal to begin fulfilled consultations with the Congress preparatory to the issuance of a Section 614 waiver. Shultz and ultimately the White House approved State's taking this action.

**PHASE 5**

Ambassador Rochwarger returned to Washington and with EAP began consultations with the Congress. The focus again was on the House side, particularly Solarz' subcommittee. Rochwarger met with Solarz, Dornan, and Congressman James Leach (R-Iowa) on Fiji.

At this stage, the subcommittee Members deferred to Solarz' judgment. The issue was not high priority for anyone. Solarz set forth some guidelines. He indicated that if "everyone" in Fiji agreed to the restoration of assistance, if it were to be distributed to all ethnic groups in Fiji, and if it were in the form of humanitarian assistance, then he would agree with the decision to use the Presidential waiver. He also underlined the importance of the new constitution's, still being drafted, protecting the rights of all Fiji's citizens.

Rochwarger, a political appointee with a forceful personality, responded to most of Solarz' concerns. Drafters of the constitution included members of the Indian community; Ratu Mara seemed to be on track in pushing for new elections; and US aid, if restored, would be distributed fairly in Rochwarger's embassy. But the crucial issue of Indian and Fijian agreement to the resumption of aid proved a stumbling bloc initially and Rochwarger and EAP could not address it fully. Ethnic Fijians obviously would agree, and the embassy interviewed Indians who also concurred. What was needed was the voice of someone with public stature in Fiji who could speak for Indians and disaffected groups.

This issue was addressed later during during the November 1988 trip of trip of EAP's desk director for the South Pacific. Rochwarger arranged for the desk director to meet deposed prime

minister Dr. Bavadra. The director raised the issue of bilateral aid with Bavadra, who readily agreed that if it were humanitarian in nature and distributed fairly, then the assistance should be resumed. Bavadra allowed that the Fijians were suffering too much and could not afford to miss the opportunity to get aid, even though a relatively small amount. Solarz was informed of Bavadra's statements, and Solarz approved using the Presidential waiver.

The only other problem EAP officers encountered with the Hill during consultations was with the staffers on the appropriations side, specifically the House Foreign Operations Subcommittee. Those representing Congressman David Obey (D-Wisc.), the subcommittee's chairman, were particularly vocal. They also were split in their opinions. One Obey group agreed with the waiver, was satisfied that Indians rights were protected and Fiji was safely on the way back to democratic rule. For them to oppose the waiver would also run the risk of being blamed should Mara's interim government fail to bring about a new constitution and new elections. The other Obey staff focussed on the issue of the Presidential prerogative in the waiver. That group feared that the executive branch would use the waiver as a precedent if the Fiji effort succeeded. This group also indicated that they thought Section 614 should be modified or eliminated as it gives the President too much power. In the end, the first group prevailed.

EAP reported to the NSC that it had successfully concluded consultations with Congress in early December 1988. On December 22, 1988, President Reagan signed a Presidential determination authorizing the restoration of assistance. EAP and the US Embassy

in Fiji noted that the resumption came just in time for Christmas.

#### **CONCLUSION**

Had the issue of resumption of aid to Fiji been of greater importance to foreign policy makers, State would undoubtedly have encountered more opposition to its efforts. In this instance, a country's relative unimportance played to State's advantage. Even in this obscure example of US foreign policy, however, many elements of bureaucratic interplay arose, reflecting that the size and apparent importance of an issue may be disproportionate to the number of players and efforts involved.

END NOTES

1. "United States Statutes at Large." Volume 103, Part 2. Public Laws 101-163. US Government Printing Office. Washington, D.C.
2. December 3, 1991 Interview with Stanley Roth, Staff Assistant to Congressman Stephen Solarz.
3. Federal Election Commission Printout of December 17, 1991. 999 E Street, N.W., Washington, D. C.
4. "Coup in Fiji." US Congress. House Committee on Foreign Affairs. Subcommittee on Asian and Pacific Affairs. Oct. 8, 1987. 100th Congress, 1st. Session.
5. December 5, 1991 personal interview with Russell Surber, former Director of Pacific Island Affairs in the Bureau of East Asian and Pacific Affairs.
6. State cable Suva 00547 of February 5, 1988.
7. December 17, 1991 personal interview with Phillip Gary, AID officer.
8. December 8, 1991 Personal interview with Todd Buckwald, State Department, Legal Bureau.
9. State cable Suva 01565 of April 14, 1988.
10. US CINCPAC Honolulu 110515Z of June 1988.
11. JCS 22033 of June 1988.
12. State cable Suva 013130 of July 22, 1988.