
A Velvet Glove? Coercion, and the Australasian Response to the 2006 Fijian Coup

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New Zealand and Australia's strategic interests in regional stability and the promotion of democratic norms have necessitated engagement with political events in Fiji prior to and in the wake of the 2006 coup. Australasian policies towards Suva during this period provide a valuable case study for the examination of coercion theory in the context of the South Pacific. Initial deterrent measures and the subsequent attempts to compel a return to democratically-elected government have failed. This impasse supports a range of conceptual and practical insights regarding expectations of future conflict, grand strategic interests, and the dividing line between coercion and intervention.

Beginning on 4 December 2006 the Fijian military, led by Commodore Josaia Voreqe Bainimarama, moved to eject the government of Prime Minister Laisenia Qarase and dissolve parliament. While the domestic dynamics behind the military's coup differed substantially from those previous, the reaction it provoked from the leading South Pacific powers, Australia and New Zealand, has been reminiscent of the Western responses to the earlier military 'interventions' of 1987 and 2000. Both Canberra and Wellington have perceived developments as threatening their broader strategic interests. As on prior occasions, initial attempts at preventing or ameliorating the pace of political events in Suva quickly proved futile. Unlike previous coups, however, the Australasian powers have not quietly accepted the changing realities, and reengaged with Suva; instead, they have persisted in a hard line against the Bainimarama regime that has increasingly polarised Fiji society and the region at large.

The contemporary approach of the Australasian powers to the political situation in Fiji provides a valuable case-study from which to interrogate the deployment of inter-state coercion in the South Pacific. The concept of coercion provides both an analytic and strategic framework from which to appreciate the links between a state's desire to exert its interests over other actors, and the means at its disposal. Such an approach, when applied to Canberra and Wellington's strategic response to events in Suva, serves to illuminate a joint economic and diplomatic policy agenda aimed at compelling a return to elected civilian rule.

Almost three years later, a weakened military regime has nonetheless refused to relinquish power. The seeming failure of Australia and New

Zealand's coercive strategy to achieve its primary objective provides theoretical insights, particularly as to the role of future expectations of conflict in shaping the willingness of participant actors to inflict and tolerate harm. The approach of Canberra and Wellington has also served to provide practical clarity as to the conceptual line between strategies of coercion and intervention. In turn, these theoretical perspectives, combined with an understanding of Australia and New Zealand's regional grand strategic goals, suggest a trade-off between the long-term regional costs and a 'silver lining' of secondary and tertiary benefits that may have accrued to the Australasian powers.

Coercion Conceptualised

The ability of empires, republics and city-states to force their will upon their peers through naked threats lies at the heart of classic conceptions of coercion.¹ Thomas Schelling, in his seminal definition of the term, identifies it with the purposeful use or threat of force to cause harm, in order to extract a desired change in an opponent's behaviour.² In its essence, coercion is an exercise in altering an opponent's perception of the costs and benefits of certain strategic and political choices. Against the backdrop of Cold War superpower confrontation, Schelling's analysis of the strategic deployment of coercion remained largely wedded to a traditional focus on military force. While underappreciated at a time when considerations were dominated by the prospect of thermo-nuclear annihilation, there is a significant analytical tradition that views the power to harm as being applicable to the wider tools of state power.³ This suggests that the concept of coercion has a broader utility in analysing the interactions of states short of violent threats. As David M. Andrews has contended, Washington's threat of currency devaluation against Great Britain during the Suez Crisis was instrumental in forcing the latter's withdrawal from Egypt.⁴ Even largely symbolic gestures can have coercive political intent, as aptly demonstrated by the international cultural and sports sanctions imposed from the late-1940s in response to South Africa's Apartheid policies.⁵ In the post-Cold War era, the structure and tools of non-violent coercive strategies have gained greater prominence, particularly as a consequence of the higher tempo of economic and diplomatic sanctions imposed by the United Nations (UN), the United States,

¹ Thucydides, *History of the Peloponnesian War*, R. Warner (trans.), (Harmondsworth, MA: Penguin Books, 1975), p. 402.

² Thomas C. Schelling, *Arms and Influence* (New Haven, CT: Yale University Press, 1966), p. 2.

³ David A. Baldwin, *Economic Statecraft* (Princeton, NJ: Princeton University Press, 1985), p. 21.

⁴ David M. Andrews, 'Monetary Power and Monetary Statecraft', in David M. Andrews (ed.), *International Monetary Power* (Ithaca, NY: Cornell University Press, 2006), pp. 7-8.

⁵ See David R. Black, "'Not Cricket': The Effects and Effectiveness of the Sport Boycott" and Normazengele A. Mangaliso, 'Cultural Boycotts and Political Change', in Neta C. Crawford and Audie Klotz (eds), *How Sanctions Work: Lessons from South Africa* (London: Macmillan Press, 1999).

and coalitions of Western states in contexts ranging from Iraq, to Kosovo, North Korea and Iran.⁶

Despite its central relevance to the conduct of strategy and statecraft, the conceptual assumptions and boundaries of coercion remain somewhat blurred. Nonetheless, a core set of assertions can be identified regarding the structure of strategic decision-making.⁷ A state's political decisions can be treated as if they were made at a point by a unitary leadership, and are assumed to be made on the basis of instrumental rationality. In addition, decision-makers adhere to the logic of means-ends linkages, and take action based on an assessment of possible outcomes. Finally, the ends that decision-makers desire are capable of being ranked according to strategic utility, modified for uncertainty, with decision-makers pursuing the outcomes with the highest net-benefit.

Drawing on Schelling amongst others, Daniel Byman and Matthew Waxman have defined coercion in terms of two broad approaches, compellence and deterrence.⁸ To attempt compellence is to either impose or threaten strategic costs against an opponent, the removal of which is contingent upon their adoption of a specific strategic behaviour. In contrast, deterrence represents a policy of reactive threats of harm, the attempt to discourage an opponent from taking a specifically communicated action or set of actions. The decision-making assumptions identified above impose a structure on both coercive strategies. The coercer must identify the costs to be inflicted upon the target in the event of non-compliance, possess the capability and commitment to enact them, and undertake the communication of the previous to the target. The success of such strategies is contingent on the target's judgement that the coercer's commitment and capability to institute and maintain non-compliance costs in excess of the target's compliance costs is credible.⁹ Should the target reach this judgement, the decision-making assumptions of rational utility maximisation indicate that they will acquiesce to the coercer's demands. As with coercion itself, the relationship between the two sub-concepts of deterrence and compellence lacks clear definition and there is a tendency for the two to blur into one another,

⁶ See for example Gregory F. Treverton, *Framing Compellent Strategies*, RAND Monograph Report 1240 (Santa Monica, CA: RAND, 2000); Masoud Kazemzadeh, 'U.S.-Iran Confrontation in the Post-NIE World: An Analysis of Alternative Policy Options', *Comparative Strategy*, vol. 28, no. 1 (January 2009), pp. 37-59; William J. Perry, *Review of United States Policy Toward North Korea: Findings and Recommendations* (Washington, D.C.: Department of State, 1999).

⁷ Presented is a simplification, as specific construals vary. See Walter J. Petersen, 'Deterrence and Compellence: A Critical Assessment of Conventional Wisdom', *International Studies Quarterly*, vol. 30, no. 3 (September 1986), p. 270-9; Robert Jervis, 'Rational Deterrence: Theory and Evidence', *World Politics*, vol. 41, no. 2 (January 1989), pp. 187-9.

⁸ Daniel Byman and Matthew Waxman, *The Dynamics of Coercion* (Cambridge: Cambridge University Press, 2002), p. 6.

⁹ David E. Johnston, Karl P. Mueller and William H. Taft, *Conventional Coercion across the Spectrum of Operations: The Utility of U.S. Military Forces in the Emerging Security Environment*, RAND Monograph Report 1494 (Santa Monica, CA: RAND, 2003), pp. 15-8.

especially during extended strategic interactions.¹⁰ Nonetheless, when treated carefully the distinction between compellence and deterrence provides a useful framework for interrogating the broad thrust of Australasian policy towards Suva.

The Revenge of History?

The dynamics of the December 2006 coup can be traced directly to the emergence and steady growth in tensions between Commodore Bainimarama and Prime Minister Qarase from late 2003. However, the specifics of the dispute between the head of the military and the leader of the *Soqosoqo Duavata ni Lewenivanua* (SDL) party reach back into Fiji's troubled history of militarised and racialised politics. Overt dominance of the political system by indigenous Fijians was instantiated within the Constitution following the twin 1987 military coups led Colonel Sitivini Rabuka.¹¹ Despite attempts by Canberra and Wellington to compel a return to the *status quo* through economic and political isolation, the absence of regional support and a fear of alienating the Fijian population led to a tacit acceptance of these changes once the facade of civilian government had been restored under Rabuka's presidency.

Gradual domestic political attempts at ameliorating the pro-indigenous constitutional formulation during the late-1990s eventually resulted in the election of the indo-Fijian led Fijian Labour Party (FLP), a prospect that proved intolerable to sections of the indigenous community. The coup of May 2000, led by George Speight, sought to emulate the successes of 1987. On this occasion however, the Royal Fijian Military Forces (RFMF) under Commodore Bainimarama remained largely aloof from the initial revolt and eventually proved instrumental in disrupting Speight's political ambitions, despite having to contend with the brutal mutiny of an elite unit.¹² The Australasian response to events echoed that of 1987, with Canberra and Wellington instituting political and visa restrictions, as well as limits on military relations. These measures were relaxed upon restoration of civilian government.¹³ However, this did not represent a return to the *status quo ante*. Instead of the FLP regaining power, indigenous Fijian leadership resumed under the aegis of Qarase's SDL, a move initially supported by Bainimarama. However, rather than representing a lasting *modus vivendi*,

¹⁰ Maria Sperandei, 'Bridging Deterrence and Compellence: An Alternative Approach to the Study of Coercive Diplomacy', *International Studies Review*, vol. 8, no. 2 (June 2006), pp. 261-3.

¹¹ David McCraw, 'New Zealand, Fiji and Democracy', *Commonwealth and Comparative Politics*, vol. 47, no. 3 (July 2009), pp. 267-75.

¹² Gerard Finin, 'One Year into Fiji's Fourth Coup', *East-West Centre Insights*, vol. 2, no. 2 (December 2007), p. 2.

¹³ David McCraw, 'New Zealand Foreign Policy Under the Clark Government: High Tide of Liberal Internationalism?', *Pacific Affairs*, vol. 78, no. 2 (Summer 2005), p. 220.

the political situation over the following five years reflected an uneasy truce between the increasingly polarised political, military, and indigenous forces.

The Strategic Stakes

Australia and New Zealand's close partnership in responding to events in Fiji, whether in 1987, 2000, or 2006, has reflected the context of their broader interests across Pacific Islands Countries (PICs).

Australia's engagement with the South Pacific has long been driven by strategic cultural assumptions of regional hegemony. As the region's wealthiest, most militarily powerful state, and a former colonial ruler of Papua New Guinea and Nauru, Canberra's foreign policy discourse has frequently evinced

an unquestioned, and often unacknowledged, belief that Australia has a right or even a duty, to speak for the inhabitants of this region, to represent them to themselves and to others, to lead, and to manage them.¹⁴

This regional activism has been driven not only by conceptions of strength, but also by a lingering sense of insecurity, given Australia's location in a strategically dynamic region, facing extended lines of communication to key allies.¹⁵

New Zealand has historically shared similar strategic concerns with Australia. Like Canberra, Wellington once viewed itself as both carrying the colonial writ of a global power within Polynesia (administering Western Samoa, Niue, Tuvalu, and the Cook Islands), and as an isolated bastion of Anglo culture. Yet over time, political and social perspectives have evolved distinct from those of Australia. Cultural concerns regarding demography and distance have seen a reversion in polarity—from threat to barrage—with an increasing emphasis on threat management through regional and global institutions.¹⁶ With greater Polynesian immigration, the nation's self-image has become increasingly defined by the Pacific.

While grounded in somewhat different political-cultural perspectives, Canberra and Wellington's grand strategic objectives in the South Pacific converge to a significant degree.¹⁷ Firstly, both Australasian powers seek to guarantee their long-term political access to PICs, while excluding or limiting those external influences perceived as threatening that access or the

¹⁴ Gregory E. Fry, *Framing the Islands: Knowledge and Power in Changing Australian Images of The South Pacific*, Department of International Relations Working Paper no.1996/5 (Canberra: Australian National University, 1996), p. 2.

¹⁵ Robert Ayson, 'The "Arc of Instability" and Australia's Strategic Policy', *Australian Journal of International Affairs*, vol. 61, no. 2 (June 2007), pp. 222-3.

¹⁶ Peter Mayell, 'Beyond the "Outer Crescent": The Mackinder Century in New Zealand Geopolitics', *The Geographical Journal*, vol. 170, no. 4 (December 2004), p. 372.

¹⁷ Elise Huffer, 'Canoes v. Carriers: International Relations in the South Pacific', *Commonwealth and Comparative Politics*, vol. 36, no. 3 (November 1998), pp. 77-9.

security of the region.¹⁸ An additional secondary concern is the maintenance of economic access to the Pacific's markets and natural resources. In furthering these objectives, and to prevent the emergence of destabilising factors that could affect their own societies, the two powers seek to uphold the political, economic and social stability of the region. This has largely converged with rhetorical support for the creation of democratic, responsive governance systems in PICs, with a practical focus on state institutions that can effectively exert sovereignty over their territorial jurisdiction under the rule of law.

Success in fulfilling these strategic ambitions has been contingent on the countervailing interests of the actors engaged, in this case the Bainimarama regime in Suva. Given the means by which it ascended to power, the military-dominated administration has its own unique insecurities regarding its political longevity that are manifested in a primary concern for regime survival. It has also expressed a strong interest in reforming Fijian domestic politics and social arrangements to dissolve the structural separation of the Indo-Fijian and indigenous communities. Whether the latter aspiration is genuinely held or merely ideological cover for attempts to undermine traditional power bases in favour of the military is uncertain. Beyond these idiosyncratic interests the regime, as the superstructure of the Fiji state, reflects many of the broader strategic concerns that have animated post-colonial governments in Suva, and across the Pacific. These include ensuring international respect for state sovereignty, improving internal economic and social resilience to external influence, and maintaining freedom of access (in terms of both trade and labour) to external markets.¹⁹

Deterrence Attempted?

Given their strategic interest in regional stability and record of opposing the RFMF's role in Fiji politics, Australia and New Zealand were inherently concerned with increasing tensions between the SDL and the RFMF during 2006. The policy focus that emerged was one of low-key deterrence, epitomised by then-New Zealand Foreign Minister Winston Peter's personal communication to Bainimarama of the negative consequences of a coup for military cooperation between the two countries.²⁰ Engagement rapidly became complicated by uncertainty, paranoia, and communications failures. In early November 2006, perceptions of latent Australasian threats against the Fiji military were boosted by the extremely overt deployment of HMAS *Kanimbla*, *Newcastle*, and *Success* to the region. Regardless of the stated intent to provide for the evacuation of expatriates, it has been argued that the deployment was interpreted by the Fijian military as "gunboat

¹⁸ Charles Hawksley, 'Australia's Aid Diplomacy and the Pacific Islands: Change and Continuity in Middle Power Foreign Policy', *Global Change, Peace and Security*, vol. 21, no. 1 (February 2009), p. 121.

¹⁹ Huffer, 'Canoes vs. Carriers', p. 83.

²⁰ McCraw, 'New Zealand, Fiji and Democracy', p. 281.

diplomacy”,²¹ undercutting Australasian facilitation of the ongoing negotiations between Qarase and Bainimarama. Simultaneously, however, the credibility of any such latent Australian and New Zealand threat was diluted by the public statements of the then-Prime Minister of Australia John Howard rejecting Qarase’s invitations to intervene.²²

Though the resulting policy confusion painted Canberra and Wellington’s attempts to influence Suva as both disingenuous and weak, it speaks less to the weakness of deterrence as an approach than to the contextual challenges faced. The strategic reality in late-2006 was that Canberra and Wellington faced a committed target over which they held little credible short-term leverage. The depth of domestic hostility between the military and the SDL was palpable.²³ Ideologically, Bainimarama had expressed strong opposition to Qarase’s perceived promotion of indigenous Fijian economic and political prerogatives, in the form of the *Qoliqoli* and Indigenous Claims Tribunal Bills. The RFMF were also deeply opposed towards SDL attempts to push through the Reconciliation, Tolerance and Unity (RTU) Bill, which potentially provided a route to amnesty for participants in the 2000 coup.²⁴ In addition, investigations were ongoing that implicated the Commodore in the torture and execution of rebel soldiers. Yet despite the Commodore’s hostility towards the Qarase government, his frequent assurances that the military would stay in the barracks effectively placed Canberra and Wellington on the horns of the dilemma. For the Australasian powers, attempts at strongly and publically deterring Bainimarama carried the risks of forcing the RFMF’s hand, while playing into the regional discourse of neo-colonial interventionism that had gained ground particularly in Melanesia following the Regional Assistance Mission to the Solomon Islands (RAMSI).

Despite Canberra and Wellington’s attempts to head off a crisis, between December 4th and 6th the Fiji military made its move, ejecting Qarase from the premiership and dissolving parliament. The installation of the military regime occurred under the banner of cleaning up government and removing the racial tinge from politics. In this, the character of the Bainimarama coup differed from those past, conducted as it was against an indigenous Fijian government, and justified on the grounds of establishing racial equality rather than entrenching indigenous prerogatives.²⁵ Indeed, many of those actively opposed to previous coups rapidly emerged as key figures within the

²¹ Anthony Bergin, ‘Democracy Postponed: Fiji and Australian Policy Choices’, *ASPI Policy Analysis*, no. 39 (April 2009), p. 4.

²² Frank Frost, ‘Perspectives on Australian Foreign Policy 2006’, *Australian Journal of International Affairs*, vol. 61, no. 3 (September 2007), p. 412.

²³ Alumita L. Durutalo, ‘Melanesia in Review: Issues and Events, 2006—Fiji’, *The Contemporary Pacific*, vol. 19, no. 2 (Autumn 2007), p. 581.

²⁴ Jon Fraenkel, ‘The Fiji Coup of December 2006: Who, What, Where and Why?’, in Jon Fraenkel, Stewart Firth, and Brij V. Lal (eds), *The 2006 Military Takeover in Fiji: A Coup to End All Coups?* (Canberra, Australian National University E-Press, 2009), pp. 423-4.

²⁵ Durutalo, ‘Melanesia in Review’, p. 581.

new regime, most prominently former-Prime Minister Mahendra Chaudry.²⁶ Internal opposition, while prevalent privately, remained largely muted in public. Faced with a *fait accompli* that once again challenged their interests in regional stability, Australia and New Zealand were forced to re-craft a strategic response.

Framing a New Policy

The coup brought a degree of clarity to Australian and New Zealand policy, allowing for a more cohesive coercive approach focused on the clear stated objective of a rapid and peaceful return to democratically-elected civilian rule.²⁷ Since December 2006, a strategy premised on compulsion has emerged, utilising a variety of economic and political threat mechanisms. At the same time, however, the policies of the two Australasian powers have still had to operate within a structure of grand strategic trade-offs. While Canberra and Wellington have carried through with their threats to cut military ties with Fiji, an escalation to overt armed pressure against Suva has been ruled out publicly and repeatedly, a reflection of Canberra and Wellington's belief that the menace of armed intervention could only harden the stance of the military regime, and entrench its public support.²⁸ This combination of measures has been guided by recognition that a diversification of threats and punishment strengthens the strategic pressure against a target.²⁹ The political costs of non-compliance are multiplied, while the overall appearance of resolve is reinforced. Additionally, an array of linked measures can increase the perceived risk of escalation as opposed to singular (i.e. economic) measures.

Diplomatic sanctions are predicated on threatening or inducing non-compliance costs through political isolation, either bilaterally, regionally, or globally. Firstly, targeting visa restrictions directly at elites presents a symbolic withdrawal of recognition or support for a regime, and can serve to undercut domestic and international perceptions of their legitimacy as leaders.³⁰ Secondly, they can serve as an overt bargaining chip against which sanction 'senders' can hope to draw out concessions from the target. Thirdly, by creating clear and personal costs for participation in the target regime, the restrictions can act as a deterrent to involvement in government thus imposing further costs on the regime. The sanctions put in place by Australia and New Zealand included an immediate travel ban on coup-

²⁶ Fraenkel, 'The Fiji Coup of December 2006', pp. 422-3.

²⁷ 'Australia, NZ Urge Early Elections in Fiji, End of Coup Culture', *Dow Jones International News*, 26 February 2007.

²⁸ Fraenkel, 'The Fiji Coup of December 2006', p. 433.

²⁹ Jean-Marc F. Blanchard and Norrin M. Ripsman, 'Asking the Right Question: When Do Economic Sanctions Work Best?', *Security Studies*, vol. 9, no. 1/2 (Autumn/Winter 2000), pp. 225-6.

³⁰ Kevin D. Stringer, *The Visa Dimension in Diplomacy* (The Hague: Netherlands Institute of International Relations Clingendael, 2004), pp.14-5.

related individuals, which was later expanded to include all those who accepted senior positions within the new government, the military, the judiciary, and their immediate family members.³¹ Media reports suggest these measures have had a frustrating effect on the regime, as many within the leadership elite possess close personal ties with Australia and New Zealand.³² Since the two larger states serve as regional transport hubs, visa restrictions have also served to complicate the regime's international latitude.³³ Indeed, it has been claimed that such travel restrictions have been utilised as a deterrent against the regime's Sri Lankan judicial appointees.³⁴

However, the deployment of diplomatic measures has not been without cost to the Australasian powers. As Jon Fraenkel has noted with regards to the media spotlight directed at judicial appointee Anjali Wati,

[t]he spectacle of the mother of a 22-month-old child being denied a visa to travel to New Zealand for medical treatment has been utilized to inflame hostility to 'big brothers' Australia and New Zealand.³⁵

If the intent behind such restrictions is not communicated effectively to the target public, the repercussions can be harnessed as an effective propaganda tool against the sender. The impact of these restrictions has also generated attempts at counter-coercion by Suva. Indeed, the past three years have seen the extraordinary declarations of *persona non grata* against New Zealand High Commissioner Michael Green in June 2007 and Acting High Commissioner Caroline McDonald in December 2008, followed by the expulsion of High Commissioner Todd Cleaver and his Australian counterpart James Batley in November 2009.³⁶ These moves have in turn been met with reciprocal expulsions of Fijian diplomats from Canberra and Wellington. As New Zealand Foreign Minister Murray McCully has noted, the erosion of bilateral diplomatic capabilities has greatly reduced the quality of communication particularly between Fiji and New Zealand.³⁷ While efforts at de-escalating this 'tit-for-tat' diplomatic skirmishing have shown promise following the announcement of new diplomatic appointments in February 2010, these tactical moves have been strongly delineated from any shift in broader policies between the Australasian powers and Fiji.

³¹ 'RPT-NZ to Widen Travel Ban on Senior Fiji Officials', *Reuters News*, 3 July 2007.

³² New Zealand Press Association, 'Bainimarama Threatens NZ Exports', 23 January 2007; New Zealand Press Association, 'NZ Reporter Detained as Row with Fiji Escalates', 16 December 2008.

³³ 'NZ Firm on Fiji Travel Stance', *Fiji Times*, 16 August 2008.

³⁴ Agence France Presse, 'Fiji Expels New Zealand, Australian Envoys', 4 November 2009.

³⁵ Jon Fraenkel (The Australian), 'Tit-for-tat Diplomacy No Solution for Fiji', 5 November 2009.

³⁶ New Zealand Press Association, 'PM Labels Fiji Diplomat's Expulsion "Gigantic Leap Backwards"', 14 June 2007; Ray Lilley (Associated Press), 'Fiji and New Zealand Trade Diplomatic Expulsions', 23 December 2008; Monika Singh (Fiji Times), 'Goodbye Fiji: Diplomat Flies Home to NZ', 6 November 2009.

³⁷ Murray McCully, 'Ministerial Statement on Fiji', 23 February 2010, <www.beehive.govt.nz> [Accessed 24 April 2010].

At the multilateral level, New Zealand and Australia have invested significant diplomatic resources in pushing for Fiji's exclusion from prominent regional, multilateral, and global institutions. Almost immediately after the coup, Suva was suspended from the councils of the Commonwealth. This was later escalated to full suspension from that organisation in September 2009.³⁸ At the global level, Wellington and Canberra have lobbied hard for Fijian forces to be banned from participation in UN-sanctioned peacekeeping operations. In April 2009 Australian Prime Minister Kevin Rudd announced that Fijian forces were no longer being considered for deployment to newly-assembled operations,³⁹ though the restrictions still face some uncertainty due to high UN demand for skilled peacekeeping forces. While on one level symbolic of the international community's disapprobation over the domestic actions of the RFMF, this action may have practical consequences for combat-readiness, compounding the impact of the withdrawal of Australasian training and logistical support. Combat readiness has only a marginal effect on the military's ability to maintain internal security, due to their effective monopoly on firearms. However, the degradation in capabilities may have an impact on internal cohesion and external perceptions. By reducing the attractiveness of the Fijian army for consideration in future peacekeeping operations, commentators have suggested that restrictions on the military's international role could impact upon morale. Given the army's preoccupation with its position in Fijian society, external perceptions of its effectiveness hold consequences for its self-image, and by extension, for the RFMF's support of Bainimarama.⁴⁰

Perhaps the most serious coercive political measure imposed upon Suva, however, has been the threat and instantiation of Fijian exclusion from regional cooperation within the Pacific Islands Forum (PIF). Canberra and Wellington's inability to line up regional opposition had been a key limitation on their responses to the 1987 coup.⁴¹ However, the emergence of greater regional anxiety about instability and weak states during the 1990s combined with normative shifts to create the basis of the Biketawa Declaration in 2001, which married the pursuit of democracy to the pursuit of deeper regionalism.⁴² As Bainimarama rightly diagnosed, the 'Pacific Way' of consensus and non-interference had been significantly eroded by the time of the 2006 coup.⁴³ Combined with active New Zealand and Australian regional pressure, threats of expulsion from the Pacific's premier regional body initially succeeded in extracting from the Bainimarama government a

³⁸ Associated Press, 'Commonwealth Suspends Fiji over Democracy', 1 September 2009.

³⁹ Rod McGuirk (Associated Press), 'UN Bars Fijian Peacekeepers in Latest Sanctions', 4 April 2009.

⁴⁰ 'Drop in Foreign Work May Impact Fiji Military', *Radio New Zealand International*, 4 October 2009, <www.rnzi.com> [Accessed 16 October 2009].

⁴¹ McCraw, 'New Zealand, Fiji and Democracy', p. 270.

⁴² Stephen Hoadley, *Pacific Island Security Management by New Zealand and Australia: Towards a New Paradigm* (Wellington: Centre for Strategic Studies, 2005), pp. 4-5.

⁴³ 'Downer Undermining "Pacific Way": Fiji', *The Age*, 27 February 2007.

commitment to elections by May 2009. The failure of Suva to meet that deadline perhaps reflected the military regime's attempt to call a regional bluff. Regardless, on 2 May 2009 the PIF carried through on its threats, making Fiji the first state to have been excluded from the body in its thirty-five year history.⁴⁴

Economic and trade measures provide the second broad thrust of Canberra and Wellington's compellence strategy. In structuring a package of economic costs, the defining questions revolve around sectoral vulnerability, desired political visibility, and threat utility. Vulnerability is an indicator of the accessibility of an economic target, its interdependence with the coercer, and the concentration of the economy in internationally-exposed sectors.⁴⁵ It also provides a measure of the distribution of the economic harm across the various divisions of society, between elites and the wider public, between white-collar and blue-collar workers, and between urban and rural areas.

Visibility, conversely, is a question of political prominence and attribution. Sometimes, a desire to communicate a clear message of resolve will justify an unambiguous approach, such as the US embargo on Cuba post-revolution. However, such high-visibility actions also have a tendency to solidify public support around a domestic leadership against an external 'oppressor'. Subtle economic pressures can often generate significant political impacts, while limiting popular backlash.⁴⁶ Concern also exists for states, such as Australia and New Zealand, which are highly trade dependent. Reflecting a hesitancy to 'throw rocks in glass houses', such states would prefer to discourage the global proliferation of overt economic sanctions that could potentially undercut their own economic interests.⁴⁷

Finally, the threat utility of a specific sanction or measure is a vital consideration. Research has indicated that sanctions may be more effective when held back as threats, than in their application. As Daniel Drezner has argued,

a significant number of coercion attempts end at the threat stage, before sanctions are imposed. These cases yield significantly larger concessions when compared to instances in which sanctions are imposed.⁴⁸

To the extent that threats represent potential rather than actual costs, their deployment can be crafted to overtly emphasize vulnerability, while minimising the visibility of coercive dynamics by reversing the initiative and forcing the target to respond.

⁴⁴ 'Fiji Booted Out, Pacific Forum's Ruling Cuts Funding', *Sunday Times*, 3 May 2009.

⁴⁵ Richard Stuart Olson, 'Economic Coercion in World Politics: With a Focus on North-South Relations', *World Politics*, vol. 31, no. 4 (July 1979), p. 477.

⁴⁶ *Ibid.*, p. 485.

⁴⁷ McCraw, 'New Zealand, Fiji and Democracy', p. 269.

⁴⁸ Daniel W. Drezner, 'The Hidden Hand of Coercion', *International Organization*, vol. 57, no. 3 (Summer 2003), p. 644.

These structural concerns are borne out in the schedule of economic measures deployed by Wellington and Canberra against Suva. On the one hand, overt public attempts have been made to indicate a correlation between economic benefits and cooperation with Australian and New Zealand demands. However, rather than generally revoking existing benefits, the focus has been on exclusion from future liberalisation and trade promotion schemes, such as the extension of the Pacific Agreement on Closer Economic Relations (PACER), an array of migrant labour quota agreements, and continental shelf delineation negotiations.⁴⁹ This approach harnesses the lessons of vulnerability, visibility, and the utility of threats. By not actively harming the existing interests of the wider Fiji community, the Australasian partners seek to husband influence within internationally-vulnerable sectors of society, directing the political onus of intransigence to the regime. Canberra and Wellington can point to the government in Suva as the barrier to the full exploitation of the economic potential of their relationship with the people of Fiji.

There are risks associated with this strategy, however. By setting a precedent in overtly politicising the liberal trade agenda, the Australasian powers have opened the door to regional attempts at 'economic hostage-taking' by other states. Indeed, Canberra and Wellington have already been forced to deal with the threats of the other Melanesian states to withdraw from PACER Plus negotiations, justified pointedly on the basis of Fiji's exclusion.⁵⁰ It must be assumed that the Australasian powers have judged this an acceptable strategic trade-off.

These overt threats have been married to more subtle, indirect economic measures that have arguably generated a considerably greater real impact on specific facets of Fijian society. Tourism warnings, for instance, have ebbed and surged in tune with the political relationships between the Australasian powers and Suva. Such warnings are objectively justified on the basis of Wellington and Canberra's concerns for the welfare of their own citizens.⁵¹ However, neither government is naive enough not to see the clear economic ramifications that the consequent decrease in visitor numbers has had upon an industry that depends to a heavy degree on Australian and New Zealand tourists and investment.⁵²

A further policy impacting on the Fiji economy is a corollary to attempts at banning Suva's participation in conflict management operations internationally. Many Fijian soldiers and ex-servicemen serve in hot-spots

⁴⁹ Stephen Hoadley, "Gently Does It" Policy Best Way to Lead Fiji Down the Road to Reform', *New Zealand Herald*, 6 March 2008; Daniel Flitton, 'Setback for Pacific Trade Deal', *The Age*, 1 August 2009.

⁵⁰ 'Fiji Hangs Over Pacific Summit', *PACNEWS*, 3 August 2009.

⁵¹ Australian Associated Press, 'Fiji Military Angry Over Travel Warnings', 9 October 2007.

⁵² *Ibid.*; Kerri Richie, 'DFAT Upgrades Fiji Travel Warning', *ABC News Transcripts*, 15 May 2008.

such as Iraq and the Sinai. The economic impact of UN-financed Fijian peacekeepers, as well as their counterparts serving with the British Army or as private security contractors has been a publically salient contributor to remittance flows.⁵³ Australasian officials have long indicated that they are “aware of the financial value of peacekeeping duties for Fiji’s military”.⁵⁴ Indeed, the size of the Fijian military has been significantly shaped by UN demand, and its maintenance subsidised by UN-funded deployments. While curtailment of RFMF participation in UN operations may not have a substantial impact on the broader Fijian economy, it does threaten to increase the fiscal burden on the regime and the personal financial costs to members of the military. Consequently, these measures can be seen as a form of targeted economic sanction against the Fijian military and its dependents.

Similarly to the diplomatic sanctions assessed above, economic measures have generated attempts at counter-coercion. Bainimarama himself has sought to implicitly threaten the Australasian powers, emphasising in reaction to the earliest economic restrictions that

[b]oth these countries export hundreds of millions of dollars of goods and services into our domestic market ... They also have many expatriates here on work permits, working in various institutions and companies.⁵⁵

Given the disparities between Fiji and its larger neighbours, these threats have largely been ignored except by the firms directly affected. However, they do serve to highlight the seriousness with which Suva regards the impact of the coercive economic tools Canberra and Wellington have brought to bear.

The Limits of Strategy and the Lessons of Theory

Over the past three and a half years, the domestic and international circumstances facing the military regime have deteriorated. Fiji has languished in the doldrums, the economy contracting by 6.6 percent in 2007 and growing only anaemically in 2008.⁵⁶ While an exogenous factor, the concurrent impact of the Global Financial Crisis has encouraged a rapid decline in private external flows into Fiji, as well as a reduction in demand for Fijian goods and services in general. These economic dynamics are,

⁵³ See UN Working Group on the Use of Mercenaries, ‘UN Working Group on the Use of Mercenaries Concludes Visit to Fiji’, 18 May 2007, <<http://www.unhchr.ch>> [Retrieved 1 January 2010]; Jon Fraenkel, ‘The Fiji Military and Ethno-nationalism: Analyzing the Paradox’, in Fraenkel, Firth, and Lal (eds), *The 2006 Military Takeover in Fiji: A Coup to End All Coups?*.

⁵⁴ ‘NZ: We’ll Continue to Lobby UN’, *Fiji Times*, 23 May 2007.

⁵⁵ New Zealand Press Association, ‘Fiji Coup Leader Threatens Action Against New Zealanders’, 19 January 2007.

⁵⁶ Jon Fraenkel, ‘Melanesia in Review: Issues and Events, 2008—Fiji’, *The Contemporary Pacific*, vol. 21, no. 2 (Autumn 2009), p. 343.

however, likely to reinforce the impact of the measures put in place by the Australasian powers.

There are periodic, but significant, indications of public dissatisfaction with the performance of the regime, epitomised by strike action on the part of teaching and nursing unions, and protests by the Methodist church.⁵⁷ Within Suva itself, political manoeuvring may yet presage fractures within the governing elite, particularly in light of Mahendra Chaudry's decision to pull out of Cabinet in August 2008.⁵⁸ While it is difficult to quantify the degree to which Canberra and Wellington's coercive policies determined these dynamics, they are likely to have been contributing factors. Nonetheless, this decline has had little demonstrable impact on the regime's policies thus far. Bainimarama has pushed the electoral timetable back to 2014, and it is doubtful that the erstwhile Prime Minister intends to step down in the foreseeable future.

One consequence of this seeming failure of coercion is that it serves to underscore the theoretical relevance of long-term expectations of conflict,⁵⁹ i.e. the 'hold-out' incentive. In addition to short-run considerations of costs, expectations of further conflict play an important role in the evaluation of strategic pay-offs. Concession in the face of coercive threats implies a redistribution of power between coercer and coerced that has implications for their relative negotiating positions in a follow on confrontation. In the Fiji context, concession on a negotiated democratic timetable could undermine Bainimarama and the regime's domestic and international political latitude to achieve strategic outcomes in long-term—notably, regime persistence. If the target of coercion believes that a follow on confrontation is likely, they may be more willing to tolerate pain than to concede.

To succeed in achieving their primary objective of a return to a democratic, civilian-led Fiji, Australia and New Zealand have to pose threats against the military regime such that the costs of non-compliance clearly outweigh the costs of compliance. Yet for the government in Suva, the costs of compliance are already so steep as to appear total. Canberra and Wellington's demands for democratic elections and the withdrawal of the military from politics would likely spell the death-knell of the regime. Indeed, the failure of coercive diplomacy under these circumstances seems to be a

⁵⁷ Ibid., pp. 454-6; Tom Hyland, 'Church Blasts "Treasonous" Coup as Police Arrested', *The Sunday Age*, 4 February 2007.

⁵⁸ 'Fiji and the Pacific Islands Summit: Not Being Frank With Us', *The Economist*, 23 August 2008, <www.economist.com> [Accessed 4 September 2009].

⁵⁹ Daniel W. Drezner, 'Conflict Expectations and the Paradox of Economic Coercion', *International Studies Quarterly*, vol. 42, no. 4 (December 1998), pp. 711-4.

direct consequence of the presence of an inherently indivisible disputed issue that blocks incentive-compatible bargaining.⁶⁰

To have an effect on the regime, any threat made would have to be such that not only would the regime not survive, but that the resulting political situation facing the leadership would be significantly more hostile than the alternative orderly return to civilian government. From the RFMF's perspective, such an outcome could be envisaged as including the significant diminution or destruction of the military as a prestigious institution within Fiji society. Again, this practical point nonetheless has significant theoretical consequences, as it serves to mark the boundary between coercion, i.e. the threat or deployment of harm within the context of a bilateral or multilateral relationship in order that one party alters their behaviour, and intervention, i.e. the threat or deployment of harm focused on altering the bilateral and multilateral relationships between other actors. In the context of Fiji, this mandates either the threat of military invasion or the institution of extreme pressure on Fiji society in order to foster politically-significant public dissatisfaction with the regime.

From the perspective of Canberra and Wellington, escalation to intervention would run counter to the achievement of their overarching grand strategic goals. Firstly, there remain concerns over the downsides of severe sanctions and threats, not only for ordinary Fijians (though such normative interests link to concerns of regional perceptions), but also for the commercial and financial interests of Australasian businesses. Secondly, neither of the Australasian powers wishes to push Suva too far, lest a collapse in the regime leads to wider socio-economic chaos similar to events in the Solomon Islands. As the RAMSI intervention demonstrated, the requirements of stabilisation and reconstruction operations are onerous, both financially and in terms of manpower.⁶¹ Indeed, it is unlikely that New Zealand and Australia alone possess the capabilities to conduct and maintain a similar long-term commitment in Fiji. Finally, escalation would undercut the regional image of Australia and New Zealand, potentially to the extent that PICs would reassess the two powers as threats to be hedged against through relations with less interventionist extra-regional actors.

Long-term Costs and Silver Lining Benefits

As with previous coups, concern over the grand strategic costs of escalation render Wellington and Canberra impotent to effectively compel the Fiji regime to return to democracy. Yet even the limited coercive strategy pursued by the Australasian powers threatens long-term costs to their strategic interests.

⁶⁰ James Fearon, 'Rationalist Explanations for War', *International Organization*, vol. 49, no. 3 (Summer 1995), pp. 381-2.

⁶¹ Elsinia Wainwright, 'Australia's Solomon Island Commitment: How is it Progressing?', *The Sydney Papers*, vol. 18, no. 1 (Summer 2006), p. 170.

There are already concerns on both sides of the Tasman that the current policy agenda of isolating Fiji regionally has gone too far in alienating some PICs and consequently undermining broader Australasian regional influence. Three negative long-term dynamics threaten to be particularly costly. Firstly, it has been argued that Fiji's absence from the PIF could weaken that body, while empowering alternate forums such as the Melanesian Spearhead Group (MSG, a sub-regional organisation consisting of Fiji, Vanuatu, the Solomon Islands, and Papua New Guinea) in which Australasian influence is absent or limited at best.⁶² The MSG has in recent years escalated its criticism of Western 'bullying'.⁶³ With the Polynesian states largely expressing solidarity with the Australasian stance in the PIF, potential exists for increasing political divisions along sub-regional lines. Secondly, it is perceived that such divisions could further open the region up to external penetration. MSG countries have already made moves towards diversifying their economic and political relations north towards Asia.⁶⁴ Fiji itself secured a US \$150 million soft loan from China following the coup,⁶⁵ softening the economic blow of Canberra and Wellington's economic measures. Ron Huisken has suggested that such developments could be reinforcing Australian perceptions of an increasing degree of strategic competition for influence in the region.⁶⁶ Thirdly and finally, by further reinforcing hostility to Australia and New Zealand, fractured political regionalism could allow political elites in individual Pacific states to further redirect criticism of their own domestic policies onto the shoulders of Canberra and Wellington. Such moves would not only limit Australia and New Zealand's influence within these societies, but would further hamper political and economic reforms aimed at increasing regional stability.

Given the risk of regional strategic costs, why have Australia and New Zealand bothered to pursue a limited policy of coercion against a single Pacific state? As David Baldwin has argued, compelling policies can have multiple secondary and tertiary objectives, the satisfaction of which can be justification enough even if they should fail in their stated goal.⁶⁷

Firstly, Australasian coercion towards Fiji has served to signal to other PICs the costs of democratic failure. In a regional context often still characterised according to fears of an 'arc of instability' or the 'Africanisation' of political and social institutions,⁶⁸ a firm stance on Fiji can be seen as solidifying a set

⁶² Bergin, 'Democracy Postponed', p. 2.

⁶³ 'Small Pacific Nations Accuse Australia of Bullying', *Reuters News*, 13 January 2007.

⁶⁴ Ron Crocombe, *Asia in the Pacific Islands: Replacing the West* (Suva: University of the South Pacific, 2007), pp. 456-60.

⁶⁵ Fergus Hanson, 'China: Stumbling through the Pacific', *Lowy Policy Brief* (July 2009), p. 9.

⁶⁶ Rod McGuirk, 'Australia Eases Travel Ban to Let Fijian Minister Visit for First Time Since Fiji's 2006 Coup', *The Canadian Press*, 4 February 2010.

⁶⁷ Baldwin, *Economic Statecraft*, pp. 131-2.

⁶⁸ See Ben Reilly, 'The Africanization of the South Pacific', *Australian Journal of International Affairs*, vol. 54, no. 3 (November 2000); Graeme Dobell, 'The "Arc of Instability": The History of an Idea', in Ron Huisken and Meredith Thatcher (eds), *History as Policy: Framing the Debate on*

of regional benchmarks which have gradually been laid down by the Australasian powers over the past three decades. The risk of alienating Melanesia and exacerbating its search for extra-regional partners is acknowledged by both Canberra and Wellington. Yet the power of specific contemporary actions to exacerbate these challenges has to be measured against the background of persistent regional dynamics. On the one hand, the wellspring of Melanesian tensions with the Australasian powers goes far deeper than contemporary coercion against Fiji or intervention in the Solomon Islands, embracing the inertia of complex socio-historical dynamics that include colonial rule, the fragility of state institutions, and the factitiousness of sub-state actors. On the other, accelerating links between the sub-region and external actors, particularly China, Indonesia and Malaysia, is occurring on the basis of macroeconomic forces that Australia and New Zealand have little ability or any real desire to change, and which reflect for the large part the globalisation of trade which they themselves benefit from. Against this backdrop, the costs of signalling Australia and New Zealand's views are seen as limited.

Secondly, while risking a regional schism, Canberra and Wellington's promotion of a regional approach towards the Fijian crisis has entrenched their leadership within the PIF, and opened up the possibility of developing the PIF's role as an arbiter of political developments within PICs. As was indicated above, Pacific regionalism has been gradually moving from a conception of the 'Pacific Way', and an emphasis on technical sovereignty over non-interference. Increasingly, the discourse of regionalism has come to be defined by conceptions of effective sovereignty, of governance and equitable distributions of economic opportunities, bolstered by cooperative economies of scale, and sustained, if necessary, through intervention. Indeed, part of the motive force for these developments has been the history of coups in Fiji and the mixed responses of the international and regional communities.⁶⁹ So long as the PIF remains the preeminent regional political and economic forum, Australia and New Zealand's increased institutional influence will be a persistent strategic asset.

It is perhaps too early to judge whether the Australasian powers will draw long-term net strategic benefits from their compelling approach towards the Bainimarama regime. Nonetheless, their continued pursuit of these policies indicates that at least at the political level, Australia and New Zealand have implicitly accepted a trade-off of costs and benefits.

the Future of Australia's Defence Policy (Canberra: Australian National University E-Press, 2008).

⁶⁹ McCraw, 'New Zealand Foreign Policy and the Clark Government', p. 220.

Conclusion

Canberra and Wellington have a long history of responding to Fiji coups, largely undistinguished by clear successes. The response of the Australasian powers to events in Suva since 2006 has, as in previous instances, been balanced against broader regional strategic concerns. Initial attempts at instituting a low-key form of deterrence failed, as the inherent uncertainty of events complicated the clear and consistent communication of the costs facing the RFMF. The three and a half years since have seen the articulation and deployment of a strategy of limited compulsion, consisting of symbolic and subtle economic and diplomatic measures. This has likewise met with little success in its primary goal of accelerating a return to civilian rule.

The evaluation of these events in the context of their intersection with coercion theory does, however, provide a range of valuable insights. From a theoretical perspective, events provide support for the contention that strong expectations of future conflict both encourage the deployment of coercion, and increase tolerance of it. In addition, real-world colour is given to the conceptual line between coercion and intervention. On a practical level, a general theoretical understanding of the requirements of coercion elucidates the role of competing grand strategic priorities in limiting the deployment of a more forceful policy. Furthermore, conceiving of coercion policy in terms of multiple objectives provides a better means for evaluating the unappreciated costs and benefits that Wellington and Canberra have accrued over the past three years.

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