

Balancing act: the agency of Pacific Island states in a world of machtpolitik

by Greg Fry and Terence Wesley-Smith

25 March 2026



Ocean of Peace declaration launch at the Pacific Islands Forum, September 2025

Photo Credit: Pacific Security College

The advent of a more **punitive geopolitical environment** under the second Trump administration creates fresh challenges to the diplomatic agency of Pacific Island states. Since the 1970s, these small entities have successfully negotiated outcomes in matters of great importance. These include prohibiting nuclear testing, governing fisheries access, banning the dumping of wastes, entrenching the rights of archipelagic states under the Law of the Sea and spearheading efforts to manage the climate crisis. Faced with an increasingly callous world of power politics, or **machtpolitik**, Pacific nations might well look for inspiration to the lessons of their past success.

Changing US policy on economic assistance, tariffs, visa access and climate change represent immediate setbacks for island states. But there are also deeper systemic challenges associated with what Canadian Prime Minister **Mark Carney** called the “rupture” in the world order, which pose a more fundamental set of questions for Pacific diplomatic agency. These include the threats to longstanding pillars of global diplomatic culture, such as respect for international law, multilateralism, non-intervention and state sovereignty.

Under certain circumstances, these changes threaten not just the diplomatic agency of small island states but their very **existence as sovereign entities**. Ideas of self-determination and the right to sovereign statehood enabled the decolonisation of Oceania and were novel parts of the international order after World War II. Since resuming office, the Trump administration has demonstrated contempt for such fundamental principles as it moved to acquire Greenland, threatened to incorporate Canada, pressured Ukraine to concede territory to the Russian invader and forcibly removed Venezuela’s president. The massive US attack on Iran represents a war of choice without UN or congressional endorsement.

According to US presidential adviser Stephen Miller, this is a world order “**that is governed by force, that is governed by power**”. The **2025 National Security Strategy**

describes the Trump approach as “flexible realism”. Given the echoes of nineteenth-century imperialism, it more closely reflects *machtpolitik*, a doctrine that endorses the exercise of state power without moral or other constraint.

Imbalances of power were readily apparent within the previous international order. In the Pacific, UN rules of decolonisation were stretched, for example, to allow France to retain its territories. However, larger powers usually pursued their interests with some deference to established norms. Instead of simply annexing the strategically important Micronesian entities taken from Japan at the end of World War II, officials in Washington crafted Compacts of Free Association that acknowledged their right to self-determination while safeguarding US interests. Although the US never ratified the UN’s Law of the Sea, it acknowledged some of its key principles by signing the 1988 South Pacific Tuna Treaty. Such restraint seems unlikely now that Washington favours raw power and seeks to dominate bilateral relations with friend and foe alike.

The Trump administration’s foreign policy approach to the Pacific Island countries has yet to be made explicit or to be tested by events, but its primary interests in the region are clearly strategic. Since 2017 this has been framed as part of a broader Indo-Pacific strategy designed to maintain US military dominance and contain a rising China. Although the Indo-Pacific emphasis appears to be downgraded in Trump 2.0, reflecting a less confrontational approach to China, the [National Security Strategy](#) still aims to “deter adversaries and protect the First Island Chain”. Efforts to strengthen military infrastructure in Guam, the Commonwealth of the Northern Mariana Islands and the Federated States of Micronesia will likely continue. It is also clear that any attempt by China to use its expanding diplomatic and economic influence to establish a military presence in Oceania represents a red line for Washington.

An increasingly important [economic and strategic interest for Washington](#) is seabed mining, which targets critical minerals used in battery technology and defence systems. In April 2025, President Trump issued an executive order to aggressively pursue exploration and mining opportunities in US and international waters, effectively undermining UN and regional efforts to regulate this [fledgling and controversial industry](#).

Historically, island leaders have been best able to exercise agency when operating in the context of bipolar and multipower balancing. During the Cold War, the spectre of a Soviet intrusion allowed them to win concessions from the US on fisheries access, from Japan on driftnet fishing and from France on nuclear testing. Since China became more active in the region, Pacific states have successfully leveraged infrastructure investment and efforts to manage climate change. On the other hand,

in the unipolar world of the 1990s and early 2000s, the US and Australia regarded the sovereignty of Pacific Island states as less important, effectively stifling island agency.

The worrying possibility is that, informed by machtpolitik, the Trump administration will pursue its key interests without regard for sovereignty or balancing power. Washington would likely react forcibly if a Pacific government granted access to Chinese security forces, took action that reduced the ability of the US military to operate freely in the region or opposed US participation in seabed mining. It is worth noting that Panama was recently forced to expel Chinese companies after the US threatened to reclaim control of the canal zone. Washington's belligerent Greenland initiative is also motivated by strategic concerns, as well as an expressed need to control scarce mineral resources.

Harvard's [Stephen Walt](#) argues that the Trump approach will eventually fail. This may be cold comfort for small Pacific powers who in the meantime have to survive in an increasingly hostile world without some of the pillars that supported their diplomatic agency in the past.

However, it may be too early to declare the end of multilateralism and international law, especially if a "[world minus 1](#)" coalition of states succeeds in sustaining an effective form of multilateralism. And there is some solace in the fact that the element that largely facilitated past diplomatic successes, great power rivalry, persists. Although increasingly risky under present circumstances, the ability to play one power off against another could still enhance the bargaining power of island states.

History also shows that such a balancing strategy works best with strong Pacific leadership and a commitment to regional solidarity. Drawing on its long and successful experience dealing with larger powers, the Pacific may find that coalition-building in multilateral forums is still useful in enhancing its diplomatic heft in a new era of machtpolitik.

Author/s:

Greg Fry

Greg Fry is a member of the Emeritus Faculty, The Australian National University, and Adjunct Associate Professor at the University of the South Pacific.

Terence Wesley-Smith

Terence Wesley-Smith is Professor Emeritus at the Center for Pacific Islands Studies, University of Hawai'i.

Link:

<https://devpolicy.org/balancing-act-the-agency-of-pacific-islands-in-a-world-of-machtpolitik-20260325/>