





Executive Summary

This report analyzes the strategic implications of Palau's 2024 election amidst escalating U.S.-China competition in the Pacific. The election sees incumbent President Surangel Whipps Jr., who supports U.S. and Taiwan, facing former President Tommy Remengesau Jr., seen as more open to Chinese ties.

The election could reshape regional power dynamics, with the U.S. keen to maintain its influence through the Compact of Free Association and China leveraging media influence and economic incentives to shift Palau's alignment. Key recommendations focus on safeguarding electoral integrity, diversifying the economy, and strengthening U.S. ties to counteract foreign interference.





Background

As U.S.-China rivalry intensifies globally, small Pacific nations like Palau are becoming increasingly pivotal. Palau has strong historical ties with the U.S. through the Compact of Free Association (COFA) and is one of the few nations maintaining formal relations with Taiwan, making it a target for Chinese influence. This report explores how Palau's 2024 general election could influence its future alignment and the broader balance of power in the Pacific region.

Palau, located in the western Pacific, has a rich history shaped by foreign powers, including **Spain**, **Germany**, **Japan**, **and the U.S**. Since gaining independence in 1994, Palau has relied on economic and defense support from the U.S. under the COFA. The nation's economy, centered on tourism and fishing, remains dependent on U.S. aid, and its ties to Taiwan make it a focal point of Chinese influence efforts.





Background

Scheduled for November 5, 2024, Palau's general election is a rematch between incumbent President Surangel Whipps Jr. and former President Tommy Remengesau Jr. Key election issues include the cost of living, tax policies, and economic growth. Whipps has advocated for the Palau Goods and Services Tax (PGST), while Remengesau seeks to ease economic pressures. Overseas votes from Palauan communities in the U.S. could play a crucial role in this closely contested race.

Palau's election holds significant implications due to the island nation's geopolitical position between the U.S. and China. The U.S. seeks to protect its influence, while China aims to reduce Taiwan's international standing by swaying Palau's political alignment.

The two candidates represent opposing geopolitical views, with Whipps aligning closely with the U.S. and Remengesau seen as more open to Chinese overtures.



US-CHINA INFLUENCE

Political Alignment: President Whipps is a strong proponent of U.S. and Taiwanese interests, emphasizing defense and economic cooperation with the U.S.

Countering Chinese Influence: Concerns arise around Remengesau's potential openness to Chinese influence, given Beijing's track record of using economic incentives and media manipulation.

Election Integrity: The U.S. is expected to provide oversight to safeguard the election from foreign interference and ensure a free and fair process.

Diplomatic Aspirations: China aims to weaken Taiwan's allies by shifting Palau's alignment.





Media Manipulation: Beijing has attempted to use local media to push pro-China narratives, a strategy seen in other Pacific nations.

Economic Incentives: There are fears that, if elected, Remengesau might pursue closer ties with China, especially if Beijing offers economic rewards, potentially undermining Palau's relationship with the U.S. and Taiwan.

GREAT POWER POLITICS





Recommendations

Enhance Electoral Integrity

- Action: Invest in independent monitoring institutions to ensure transparency and counter foreign interference.
- Rationale: Protecting the electoral process is critical to maintaining democratic legitimacy and deterring outside influence.

Media Literacy Initiatives

- Action: Implement campaigns to help citizens recognize disinformation and foreign media manipulation.
- Rationale: Equipping the public with skills to critically assess media content strengthens resilience against propaganda.

Economic Diversification

- Action: Focus on developing tourism, agriculture, and renewable energy to reduce reliance on foreign aid.
- Rationale: A diversified economy will make Palau less vulnerable to foreign economic incentives and aid dependency.





Strengthen U.S. Relations:

- Action: Advocate for deeper economic and security cooperation under the COFA framework.
- Rationale: Strengthening ties with the U.S. will reinforce defense commitments and economic stability.

Foster Regional Cooperation :

- Action: Engage in multilateral alliances with other Pacific nations to address shared concerns about Chinese influence.
- Rationale: Regional cooperation can provide collective stability and reduce individual vulnerability to foreign interference.

Encourage Public Engagement:

- Action: Increase civic participation through public forums to raise awareness about political options and foreign influence.
- Rationale: Public engagement in the electoral process will bolster democracy and reinforce informed decision-making.





Conclusion

Palau's 2024 election is a crucial event in the context of U.S.-China competition in the Pacific.

The outcome could influence Palau's diplomatic alignment and its role in regional stability.

With President Whipps advocating a pro-U.S. stance and Remengesau facing scrutiny over potential ties to China, the election is poised to have broader geopolitical implications.

Strengthening U.S. ties, safeguarding electoral integrity, and countering foreign interference are essential to maintaining Palau's sovereignty and ensuring its strategic stability in the region.





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