

# U.S. poised to renew compacts with Pacific nations

By Matthew Lee  
Associated Press

WASHINGTON >> The Biden administration is nearing deals with two Pacific Island nations to extend ties that are considered critical to maintaining balance in the U.S.-China rivalry for influence in a region where the Chinese are rapidly expanding their economic, diplomatic and military clout.

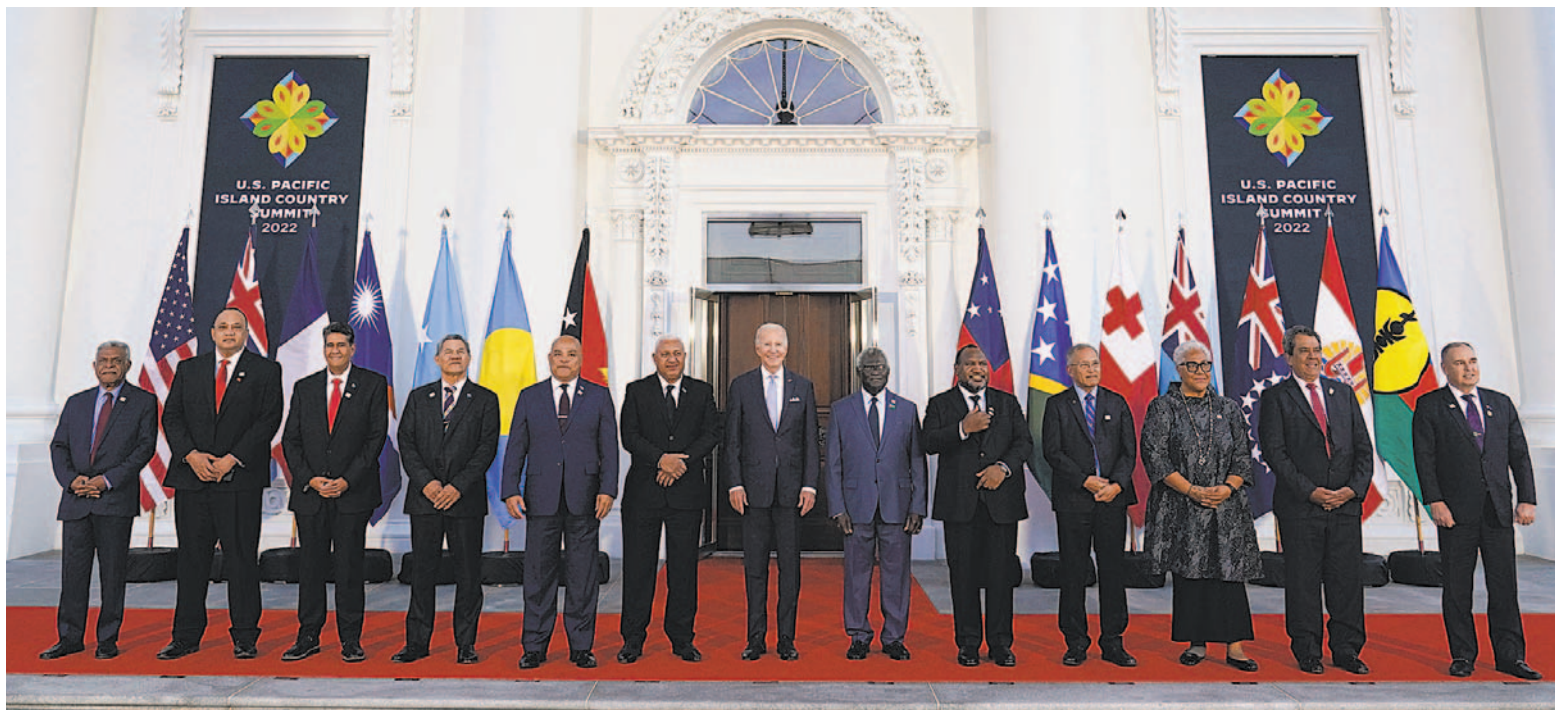
The U.S. last week signed memorandums of understanding with the Marshall Islands and Palau that administration officials hope will pave the way for the quick completion of broader agreements that will govern the islands' relations with Washington for the next two decades. Those ties grant the U.S. unique military and other security rights on the islands in return for substantial aid.

The administration believes that extending those so-called "Compacts of Free Association" agreements will be key to efforts to retain American power and blunt Chinese assertiveness throughout the Indo-Pacific.

The memorandums signed last week lay out the amounts of money that the federal government will provide to the Marshall Islands and Palau if their compacts are successfully renegotiated. Negotiations on a similar memorandum with a third compact country, Micronesia, are ongoing.

The current 20-year compacts with the Marshall Islands and Micronesia expire this year; the current compact with Palau expires in 2024 but administration officials said they believe all three can be renewed and signed by mid-to-late spring.

Officials would not discuss specifics of the amounts of money involved



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**President Joe Biden aimed to reassure Pacific Island leaders of the United States' commitment to the region during a summit at the White House, during which they took a group photo.**

because the deals aren't yet legally binding and must still be reviewed and approved by Congress as part of the budget process.

A Micronesian news outlet, Marianas Variety, reported Thursday that the Marshall Islands will receive \$700 million over four years under the memorandum that it signed. But that amount would cover only one-fifth of a 20-year compact extension and does not include the amount Palau would receive.

Joe Yun, Biden's special presidential envoy for compact negotiations, said the amounts will be far greater than what the U.S. had provided in the past.

Islanders have long complained that the previous compacts they signed did not adequately address their needs or long-term environmental and health issues caused by U.S. nuclear

testing in the 1950s and '60s. Lawmakers had expressed concern dating back to 2021 that the administration was not giving enough attention to the matter.

Yun, who signed the memorandums with representatives of the Marshalls and Palau on Tuesday and Wednesday in Los Angeles, said the Marshall Islands in particular would be compensated for such damage and would have control over how that money is spent.

Yun said it would pay for "nuclear-affected communities' health, welfare and development" and also noted that the U.S. had committed to building a new hospital as well as a museum in the Marshalls to preserve the memory and legacy of their role, notably in the Pacific theater during World War II.

Last week's signings clear the way for individual federal agencies — including

the Postal Service, the Federal Aviation Administration, the Federal Emergency Management Agency and the National Weather Service — to negotiate their own agreements with the Marshalls and Palau, which will then become part of the broader compacts.

Along with the federal money, those agencies provide their services to the islands. In return, the U.S. is given unique military and national security basing rights and privileges in an area where China is increasingly flexing its muscles.

Yun said China did not come up specifically in the negotiations but it was a major element in all sides' discussions.

"The threat from China is unstated but there is no question that China is a factor," Yun said. Not only does China have a large and growing economic presence in

the region, but the Marshall Islands and Palau both recognize Taiwan diplomatically. "They are coming under Chinese pressure," he said.

China has poached allies from Taiwan in the Pacific, including Kiribati and the Solomon Islands in 2019. The U.S. announced plans last year to reopen an embassy in the Solomons, which has signed a security agreement with China.

Since World War II, the U.S. has treated the Marshall Islands, along with Micronesia and Palau, much like territories. On the Marshall Islands, the U.S. has developed military, intelligence and aerospace facilities in a region where China is particularly active.

In turn, U.S. money and jobs have benefited the islands' economy. And many islanders have taken advantage of their ability to live

and work in the U.S., moving in the thousands to Arkansas, Guam, Hawaii, Oregon and Oklahoma.

Many on the Marshall Islands believe a U.S. settlement of \$150 million agreed to in the 1980s fell well short of addressing the nuclear legacy. But the U.S. position has remained static for more than 20 years, the last time the compact came up for renegotiation.

Various estimates put the true cost of the damage at about \$3 billion, including for repairs to a massive nuclear waste facility known as the Cactus Dome, which environmentalists say is leaking toxic waste into the ocean.

The U.S. Department of Energy says the dome contains over 100,000 cubic yards of radioactively contaminated soil and debris but the structure isn't in any immediate danger of failing.

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