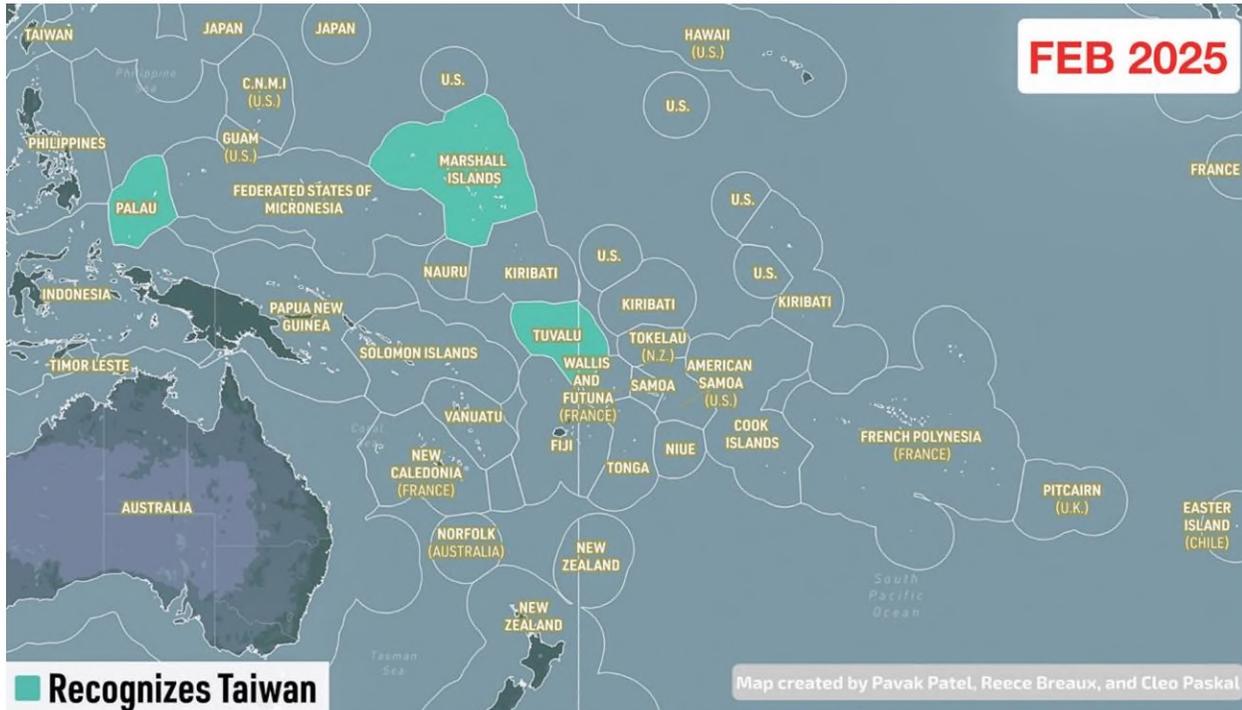


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The Sunday Guardian

Palau deports Chinese criminals, reinforces Indo-Pacific security



By CLEO PASKAL

If China goes after Taiwan without ‘disabling’ Palau, its Taiwan operation could be jeopardized. Which is one of the reasons the U.S. is putting new military infrastructure, or, in some cases, bringing back to life World War II era infrastructure, in Palau.

Koror, Palau: In the last three months, the Pacific island country of Palau has executed a master-class in how to quietly, professionally and effectively rid itself of serious national security threats—including striking a powerful blow against some major Chinese bad guys (and gals). Given Palau’s location, and who it has as allies, this is having an outsized effect on Indo-Pacific security.

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We'll get to how Palau did it (and what it did) but first, to understand how important this is, a bit more about Palau itself.

TELL ME ABOUT PALAU

The Republic of Palau is made up of over 300 islands, has about 20,000 people and shares a maritime border to the west with Philippines and to the south with Indonesia. It's Micronesian, linked to cousins in places like Yap by centuries of skilled navigators. Some of the famous Yap stone money was quarried in Palau and brought back to Yap.

Palau's strategic location made it a magnet and a target for outsiders from the colonial period onwards. First it was Spain, then Germany, then Imperial Japan. Japan held it as part of the "Japanese Mandate" that also included what is now the Northern Mariana Islands, Federated States of Micronesia (FSM) and Marshall Islands, from 1914 to 1944.

During that time, the Japanese built up agriculture, industries and trade in Palau, and increasingly militarized it. It was because Japan held the central Pacific that it was able to hit Pearl Harbor, and that it was so difficult for the U.S. to fight back across the Pacific and be within striking distance of Japan. Palau is the site of several brutal World War II fights, including the Battle of Peleliu.

The U.S. took that lesson to heart and, after the war, worked to make sure the central Pacific couldn't be used to hit the U.S. again. The islands that had been part of the Japanese Mandate became a United Nations Trust Territory under American administration. The U.S. was an uncomfortable colonial power and looked for ways to end the Trusteeship that also meant no other aggressive power could use the central Pacific to attack America, and Americans.

HOW TO THREAD THE STRATEGIC NEEDLE

After decades of debate and negotiations with leaders from across the Trust Territory, and local referenda, the end result was an agreement unlike anything the U.S. has offered any other countries. Palau, FSM and Marshall Islands became independent countries and agreed to a Compact of Free Association with the United States.

The Compact allows citizens of the three "Freely Associated States" (FAS) to live and work freely in the U.S., serve in the U.S. military and get a range of services,

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including postal service at domestic U.S. rates. The U.S. also agrees “to defend the [FAS] and their peoples from attack or threats”, can set up military facilities in the FAS and has the ability to block the militaries of other countries from operating in the FAS.

Bottom line, the message from Washington is: we are in this together. Do what you want, we will help, but others can't use you to strike the United States.

HERE COMES CHINA

The problem is, the U.S. lens has been adjusted to see traditional military threats, but the way China operates is much more complex. It uses what Philippines Chief of Staff of the Armed Forces, General Romeo Brawner Jr., calls China's illegal, coercive, aggressive and deceptive (ICAD) operations.

Palau's close relationship with the U.S., its location just the other side of Philippines and the fact that it recognizes Taiwan, make Palau a high value target for China. If China goes after Taiwan without “disabling” Palau, its Taiwan operation could be jeopardized. Which is one of the reasons the U.S. is putting new [military](#) infrastructure (or, in some cases, bringing back to life World War [II](#) era infrastructure) in Palau.

So, China has been targeting Palau's economy and politics. It built up Palau's tourism sector, [during](#) which land was leased in strategic locations. Then Chinese tourists disappeared, with the implied promise that they would return if Palau abandoned Taiwan (it didn't). There were also [problems](#) with Chinese organized crime, including with at least one major Chinese Triad leader.

This has been destabilizing politically, economically and socially. In such a tight-knit society, if your cousin the police [officer](#) is selling illegal drugs for a dangerous foreign kingpin, what are you supposed to do?

This corruption, fuelled by (for the most part) Chinese crime has created social fractures, distrust and fear. Which Beijing likes. This kind of “[entropic warfare](#)” creates the opening Beijing needs to find compliant leaders who it can ride to its preferred destination—in this case, derecognition of Taiwan, the breaking of the Palau/U.S. relationship and the accomplishment through political warfare of what the Japanese failed to do through shooting war: pushing the U.S. out of the Pacific.

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WHAT ABOUT THOSE BAD GUYS YOU WERE TALKING ABOUT?

Palau is under constant attack. There have been a range of sources, but the vast majority link back to China. Some of it is almost certainly China-state linked, for example the [cyber](#)-attack that hit Palau on the day it was signing renewals of key sections of the Compact with the U.S.

Others are opportunistic criminality but, given the linkages between Chinese organized crime and the Chinese Communist Party, it is a thread Beijing can pull if needed.

So, on December 18, 2024, Palau's President Surangel Whipps Jr. signed Presidential [Directive](#) 24-65. It read, in part: "in recent months, there have been numerous instances of crimes being committed by foreign nationals who entered Palau with tourist visas or nonresident worker permits... [T]hese crimes include a murder...and seizures of methamphetamines totaling over 500 grams from foreign nationals on tourist visas."

Additionally, "previous years have seen large-scale illegal gambling operations being conducted in Palau, and such operations are often accompanied by other instances of crime such as immigration fraud and prostitution... it has become clear that Palau has a serious crisis of criminals posing as tourists to enter the country and staying long-term to carry out bad acts and put our citizens in danger."

The Directive granted Palau's National Security Coordinator (NSC) a 90-day period to vet all visa applications. The process included: names cross-checked against the INTERPOL criminal database; applicants undergoing background checks, employment history validation, assessment of certifications and more; and high-risk applicants being subject to travel movement analysis and site visits.

To ensure transparency and accountability, the NSC office had seven days to review each application and provide recommendations. Applications recommended for denial were accompanied by a detailed report giving the reasons for rejection. The Directive reiterated ultimate authority rested with the President.

WHAT HAPPENED NEXT?

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Previously, visas were rarely denied. After the Directive, of the 80 immigration visa applications from China, 65 were denied. By comparison, 41 applied from Japan and none were denied, and 124 applied from Philippines and 15 were denied.

Of the 24 non-resident worker applications from China, 23 were denied. From Philippines, 22 applied and 2 were denied.

Additionally, multiple illegal Chinese-run operations were dismantled, including illegal gambling and [scamming](#). And there were several high-profile deportations, including Wang Shuiming, who was listed on an INTERPOL Red Notice. He was later [arrested](#) in Montenegro.

Two other high profile deportations were Cary Yan and Gina Zhou, two Chinese nationals who were [convicted](#) in New York of bribing officials in an [attempt](#) to set up a “country-within-a-country” in Marshall Islands (another country that recognizes Taiwan). They have not only been deported, they have been put on Palau’s “undesirable aliens” list, meaning they will not be allowed back in.

There were around 40 other deportations, including Xiaoli Chen and Yanli Zhu, long-term undesirable Chinese residents.

This is a fundamental change in Palau’s security profile.

NOW WHAT?

On March 20, after the 90 days were up, the President held a meeting with the NSC, Attorney General, Special Prosecutor, representatives from Immigration, Employment Services, the Foreign Investment Board and other stakeholders to assess the outcomes. It was decided to [renew](#) for another 90 days and to use lessons learned to propose regulatory changes and draft legislative proposals to submit to the Palau legislature. The fight continues.

WHAT DOES THIS MEAN?

It is difficult to overstate how hard it is to do something like this in such a tight-knit country. Chinese strategic corruption targets family members of key individuals so that the pressure to protect the Chinese operations comes from

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inside the home. You can be sure a lot of calls were made to try to change the minds of the leadership in Palau.

This took intelligence, insight, strength and courage.

Palau is showing you can fight back, no matter your size. It's not easy, but it's the only way forward to protect lasting sovereignty, prosperity and freedom.

Palau achieved this mini-miracle on its own, now it needs help. The success is only going to increase pressure from China. For one thing, the "Palau example" undercuts China's "inevitability narrative", in which Beijing tries to get people to think, especially in countries that recognize Taiwan, that China is the only—the inevitable—option moving forward, so best to give in now.

The good news is the stand taken by Palau has been contagious. Yan and Zhou were finally stripped of their Marshall Islands passports. Philippines didn't let them in either. Taiwan has been helping Palau in investigations. Japan has been supportive. The U.S. has revoked a few visas of its own, and maybe be taking even stronger moves soon.

There is an excellent resident U.S. Ambassador, but there needs to be more. Palau's NSC needs support for her office, the Attorney General needs lawyers, the country needs a drugs lab that can do forensics for court cases, etc.

This is what the frontline looks like now. While the U.S. Marines are rebuilding 80-year-old airstrips in places like Peleliu, there is a Guam National Guard state [partnership](#) program with Palau that could be sending lawyers, investigators and forensic accountants. If they do their job right, the airstrip may not be needed for a fight for another 80 years.

But, in the meantime, Palauans are holding the line, and showing us all that yes, it can be done.