



From Tourism to Propaganda Tactics

Unveiling the PRC's Influence on Palau's Electoral Landscape

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Abstract: This article argues that the People's Republic of China (PRC) is leveraging a combination of economic influence, political coercion, and disinformation tactics to sway the outcome of Palau's 2024 presidential election. With the currently favored candidate reportedly being tied to Chinese Communist Party (CCP)-linked individuals and publicly promoting PRC narratives, it is critical to highlight the PRC's influence tactics—such as propaganda, censorship, international partnerships, and financial pressures—that are being employed to achieve its goals. The article first offers a brief overview of the PRC's actions and aims in the Indo-Pacific region, highlighting Palau's significance to the PRC and the United States. Next, the

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author summarizes the PRC's multiple forms of economic influence in the region, such as monopolizing tourism, buying land, engaging in bribery, encouraging illegal activities, and exploiting U.S. missteps. Then, after introducing Palau's presidential candidates, the article delves into PRC information operations and tactics. It also examines key findings of PRC interference in other recent regional elections, such as in Taiwan and the Philippines, and analyzes what tactics were used, if they were effective, and how these tactics could be adapted to be successfully implemented in Palau. The article concludes with predictive analysis of the PRC's potential actions in Palau, such as information operations, including amplifying local conflicts, using local media as proxies, and creating artificial intelligence (AI)-generated content, as well as listing potential countermeasures that could be implemented in Palau to combat PRC information advances, such as education programs for students and journalists, misinformation debunking campaigns, and implementing legislation to counter misinformation campaigns.

Keywords: People's Republic of China, PRC, Chinese Communist Party, CCP, Palau, elections, information warfare, political warfare

Introduction

The PRC in the Indo-Pacific

During the past decade, the People's Republic of China (PRC) has expanded its influence across the Pacific Island Countries (PICs) and Oceania.¹ While small in size, these nations play a critical role in the security of maritime routes and act as geopolitical footholds for regional powers such as the

United States, Australia, and Japan. Additionally, because these countries have equal voting rights in international organizations such as the United Nations, their support, or lack thereof, for topics important to the PRC, such as the South China Sea or Taiwan, could tip the scales in the PRC's favor. To secure support, the PRC has granted loans and infrastructure "gifts" to several countries to foster economic dependence. Additionally, the PRC has strategically targeted key industries in the region such as fishing, lumber, and mining to gain and strengthen its economic influence. The PRC has also provided medical personnel and scholarships to Pacific Islanders, further deepening its ties with PIC nations.² Since the launch of the Belt and Road Initiative (BRI) in 2013, the frequency of PRC interactions with PICs has increased, especially in nations with higher port capacity because of their strategic value.³

The PRC has taken concrete steps to strengthen its foothold in the Indo-Pacific. For example, in 2006 it launched the China-Pacific Island Countries Economic Development and Cooperation Forum to facilitate economic partnerships in the region.⁴ This development was followed seven years later by the launch of the BRI, which aims to help the PRC develop new trade partners and routes to boost the PRC's geopolitical leverage over BRI countries.⁵ In 2021, the PRC further institutionalized its diplomatic ties in the region by hosting a China-Pacific Island Countries Foreign Ministers' Meeting, offering economic solutions to many PIC nations in the form of infrastructure projects and loans.⁶ In 2022, the PRC's minister of foreign affairs, Wang Yi, visited eight countries in the Pacific to promote the PRC's "China-Pacific Island Countries Common Development Vision," a five-year plan to increase cooperation regarding law enforcement, cybersecurity, customs and

quarantine, and disaster management. The plan also included discussions of creating a China-Pacific Islands Free Trade Area and establishing more Confucius Institutes throughout the region.⁷

Also in 2022, the PRC signed a security pact with the Solomon Islands that allows for PRC military and law enforcement to be stationed in the nation.⁸ Shortly thereafter, the Solomon Islands' pro-PRC prime minister was successful in postponing the nation's 2023 elections by bribing 39 of the 50 members of parliament with money from a Chinese slush fund.⁹ Not only does this development undermine the nation's democracy, but it also illustrates the effects of the PRC's expanding influence through coercive tactics and economic leverage. The Solomon Islands' trajectory demonstrates how PRC interference can compromise a nation's sovereignty and potentially its long-term stability.

Palau and the PRC

Palau, an island nation of roughly 18,000 inhabitants, stands out among the PICs because of its strong alliance with the United States and its unwavering recognition of and diplomatic ties with Taiwan. Its strategic location in the Pacific increases its importance to the United States and its allies, particularly because of the Compacts of Free Association (COFA) agreement, which allows the United States to establish military bases and veto military access from other countries in the region.¹⁰ Combined, these factors make Palau a critical target for Chinese influence operations aimed at persuading the island nation to shift its allegiance to the PRC.

Effectiveness of Influence

So far, the PRC has had mixed results in its influence campaigns. While some countries such as the Solomon Islands and Kiribati no longer recognize Taiwan's sovereignty, instead subscribing to the "One China Principle," other nations such as Taiwan and the Philippines have held firm in their beliefs and allyships.¹¹ Despite its sophisticated arsenal of influence techniques, the PRC has continuously failed to sway these nations. Though Palau has held firm so far, the influx of PRC interference there suggests that it could be the next PIC nation to switch allegiances.

Economic Influence

Tourism Monopoly

During the past two decades, Palau has become increasingly dependent on tourism from the PRC.¹² Beginning in 2008, Palau averaged 634 Chinese tourists per year, accounting for less than 1 percent of all visitors. By 2015, this number had skyrocketed to 91,000 visitors, making up 54 percent of the nation's total tourist population.¹³ However, in response to Palau's continued recognition of Taiwan, the PRC banned state-backed package tours to Palau in 2017, and the COVID-19 pandemic further upended the nation's tourism industry.¹⁴ Because 42.3 percent of Palau's gross domestic product (GDP) comes from tourism, these travel disruptions created a significant economic impact on the country, forcing Palau to encourage direct flights and visitors from other nations to supplement the loss.¹⁵

Most recently, the PRC issued a travel warning for Palau, citing concerns over "frequent safety cases." Many believe that this warning was made in retaliation to Palauan accusations of the PRC being behind a March

2024 cyberattack on Palau's financial systems that exposed 20,000 government documents on the dark web.¹⁶ Since then, the number of Chinese tourists traveling to Palau has plummeted, with individuals from other countries making up almost 75 percent of all visitors.¹⁷ While it is still too early to predict how this will impact Palau's economy in the long run, the PRC is likely sending a strong signal that acting against its interests will not be unnoticed or come without consequence.

Buying up Land

PRC investment in Palauan real estate has increased in recent years. With the rise of direct flights from the PRC, Macau, and Hong Kong, an increasing number of Chinese "developers" have entered 50- to 99-year leases for buildings and land. These developers include CCP-linked businessmen such as Tian "Hunter" Hang and Eric Kuo.¹⁸ Many of these investments, however, have either seen minimal development or have been completely abandoned, raising questions about the lessees' intentions.¹⁹

Additionally, the PRC seems to be domestically advertising the purchase of land in Palau. In 2017, a Chinese website advertised available housing in Palau, promising returns of up to 20 percent. Buyers were also promised a Palau residency permit, which grants its holder simplified visa processes for Taiwan, the Philippines, South Korea, and Japan, as well as direct access to the United States within 1–2 years.²⁰ With a PRC law reportedly allowing any land owned or leased by a Chinese national to be used for PRC intelligence purposes, Chinese nationals' ownership of these properties could provide the PRC government a direct foothold into Palau and interfere with the United States' military goals in the region.²¹

Bribery and Corruption

The PRC's efforts to influence Palau's political landscape also comes in the form of bribery. Substantial amounts of money and economic incentives have been promised to Palauan officials and politicians by the PRC, with the hope of swaying certain decision-making in the country in the PRC's favor. During a Palauan joint committee meeting, it is alleged that the Palauan national security coordinator, Jennifer Anson, and president, Surangel Whipps Jr., convened side meetings with only certain members of the delegation to limit the policy-making influence of PRC-aligned individuals. Whipps personally expressed concern over PRC bribery in a well-publicized letter written to an undisclosed U.S. senator on 9 February 2024. In this letter, Whipps described how the PRC promised economic benefits to Palau in exchange for severing ties with Taiwan, including hotel investments, increased tourist numbers, and a provision of \$20 million per year for a call center in Palau.²²

The PRC has also made efforts to establish close relationships with prominent Palauan figures in both business and politics and has attempted to use these connections to further PRC business ventures.²³ Despite local skepticism about the true intentions behind the PRC's interest, the financial incentives offered are attractive and difficult for many to refuse.

Illegal Activity by Chinese Nationals

Palau has recently experienced a significant increase in Chinese organized crime and drug trafficking. Illegal gambling has surged in popularity, with 165 people arrested on New Year's Eve in 2019, three operations shut down in January 2020 and another in June 2020, and several other operations

suspected of activity within the country.²⁴ Most of these operations are domestically run by Chinese nationals, many of whom are victims of human trafficking. The organizations' leaders are most likely be tied to Chinese crime syndicates such as the 14K triad based in Macau.²⁵

Similarly, methamphetamine trafficking from China and the Philippines to Palau has increased exponentially during the past two decades. Contributing factors include an extremely small domestic Narcotics Enforcement Agency made up of eight people and corruption among law enforcement officials that allow for intercepted meth packages to go uninvestigated while non-syndicate-linked drugs, such as marijuana, are confiscated.²⁶

Exploiting U.S. Missteps

One of the most effective ways that the PRC has been influencing Palau is by capitalizing on the turbulent relationship that Palau has with the United States. As President Whipps pointed out in an interview in 2023, the United States has several avenues available to improve its standing in the region, from increasing direct investment, prioritizing direct flights to the United States, aiding in infrastructural improvements, granting Palau more aid after natural disasters, and offering more benefits to Palauan citizens who are U.S. military veterans.²⁷ Additionally, Palauan perceptions of the United States as an unreliable partner have grown since the establishment of contentious COFA agreements. The delayed funding forced Palau to borrow money to cover education and healthcare costs, leaving many Palauans dissatisfied with the United States.²⁸ While many Palauans are supportive of the United States as an ally, the allure of faster and more generous economic incentives

elsewhere drive support away from the United States and toward alternative partners such as the PRC.

Presidential Candidates

The Palauan presidential election will be held on 5 November 2024. The current president, Surangel Whipps Jr., is running for reelection against his brother-in-law, former president Thomas Remengesau Jr. Many believe that this election will be critical in determining whether Palau continues to recognize Taiwan.

Surangel Whipps Jr.

Whipps has served as president of Palau since 2021, following service in the Senate of Palau from 2009 to 2016.²⁹ As a pro-United States candidate, Whipps has stated in several interviews that he strongly opposes PRC efforts to meddle in Palau, such as the PRC's illegal fishing, trespassing in Palauan waters, and pressuring of Palau to derecognize Taiwan.³⁰ Despite economic incentives, Whipps remains committed to maintaining Palau's diplomatic independence and sovereignty in decision-making.³¹ His current campaign focuses on "putting Palauans first," with much of his platform unchanged from his first term in office.³² Whipps has yet to be involved in any known scandals outside of recently being sued by the wife of a previous Palauan president, Johnson Toribiong, for banning her from entering Palau.³³ Despite his relative steadiness, Whipps is currently the least popular candidate, with many Palauans viewing him as a "U.S. lackey" and a "fake citizen" due to his birth and education in the United States. Additionally, Whipps has received

pushback for implementing Palau's Ports, Goods, and Services Tax (PGST) amid the country's rising inflation.

Thomas Remengesau Jr.

Remengesau served as president of Palau from 2001 to 2009 and again from 2012 to 2020. His current campaign is focused on "listening to the people" of Palau, increasing access to economic opportunities and welfare programs, improving healthcare systems, and reviving drug enforcement.³⁴ A growing nostalgia for a return to the "old Palau" has amplified his rallying cry for economic prosperity and a reduction of the cost of living, which has rapidly gained him support.³⁵ The PRC-favored candidate, Remengesau has been accused of colluding with Chinese organized crime groups, having been personally linked to Tian "Hunter" Hang, a CCP-linked businessman heavily involved in Palau; Zhang Baulo, a CCP-linked businessman; and Wan Kuok Koi (a.k.a. "Broken Tooth"), an infamous organized crime leader-turned-CCP loyalist.³⁶ Additionally, in 2009, Remengesau was found guilty of violating Palau's code of ethics for a property tax-related charge.³⁷

Moses Uludong

The founder of the Palauan newspaper *Tia Belau* and a known media figure, Moses Uludong announced his presidential candidacy on 15 July 2024, though he seemingly did not receive enough signatures to confirm his nomination. Running with the slogan "Is it right, is it true, is it good for the people?," Uludong aimed to "correct the wrongdoings being done by this government and to preserve the essence of being Palauan."³⁸ His platform included being hard on crime, repealing the PGST, reorganizing the government, legalizing

marijuana, and combining social security with pension benefits.³⁹ Another PRC-aligned candidate, Uludong has been reported multiple times as a firm advocate for meeting the PRC's requests, believing that Palau will be ruined if tensions between the United States and the PRC continue to climb.⁴⁰ Uludong, who invested in a CCP-backed business venture, the Palau Media Group, has been associated with multiple CCP-linked businessmen and has publicly engaged in trade promotion visits with the PRC, and his newspaper, *Tia Belau*, has published pro-PRC content. He vehemently denies his PRC media involvement as furthering the PRC's interests, classifying the rumor as U.S. propaganda and stating that he was only interested in promoting "economic ties and business" between Palau and the PRC. He also claims that the Palau Media Group is currently "active and alive," having since been registered under a different name after the license expired during the COVID-19 pandemic.⁴¹

PRC Information Operations

Beginning in 2013, PRC president Xi Jinping notably intensified Beijing's efforts to shape the global information environment, wanting media worldwide to "tell China's story well."⁴² To do so, the PRC has heavily invested in diverse tactics to suppress and censor dissent, to uphold the One China Principle, to quash human rights criticism, and to promote the PRC as a friendly, prosperous country seeking peace and universal security.⁴³ Propaganda, disinformation, and censorship are some of the PRC's strongest tools in implementing this kind of cognitive warfare, primarily employing CCP state media, PRC diplomats, and direct influence within local media outlets to deliver these messages.⁴⁴

PRC Infiltration of Palauan Media Outlets

The PRC has made several attempts to gain a foothold in Palau's domestic media space. As detailed in the Organized Crime and Corruption Reporting Project article "Failed Palau Media Deal Reveals Inner Workings of China's Pacific Influence Effort," a local news outlet, *Tia Belau*, has been linked to CCP-associated individuals and narratives several times in the past. *Tia Belau* is one of two widely circulated local newspapers in Palau. As mentioned above, its owner and founder, Moses Uludong, is a prominent figure in the Palauan media and has been documented on multiple occasions advocating for closer relations between Palau and the PRC. In 2018, Uludong joined the Palau Media Group, a venture led by Tian "Hunter" Hang, a known figure in the PRC's strategy to exert soft power influence in Palau. At the time, the Palau Media Group was also partially owned by the Overseas Chinese Big Data Group, a company with ties to the PRC military, cyber operations, and espionage. While the Palau Media Group did not succeed at launch, *Tia Belau* has since been used to publish pro-PRC content.⁴⁵

PRC Tactics of Influence

A recent report released by the U.S. Department of State's Global Engagement Center outlines the PRC's five main tactics used to manipulate the information space, three of which are of primary relevance to Palau.

The first, propaganda and censorship, is defined as being used to disseminate biased or false information that sheds a positive light on the PRC and CCP. This can be broken into two distinct categories. Propaganda has been used by the PRC to directly manipulate its messaging worldwide. The

PRC's blatant investment in local media outlets, including *Tia Belau*, minimizes the potential exposure of unfavorable stories.⁴⁶

The PRC also uses a variety of censorship tactics that could disproportionately impact a small, relatively isolated population such as Palau. According to a *PLA Daily* article, the PRC uses tactics such as information disturbance (flooding the information space with false narratives to create doubt and uncertainty), discourse competition (shaping cognition by manipulating emotions and implanting biases), public opinion blackout (using bots to flood social media spaces with a specific narrative to suppress opposing views), and blocking information (technical blockades and physical destruction of unfavorable narratives to the PRC) to censor the information space.⁴⁷

The second tactic, exploiting international organizations and partnerships, revolves around leveraging global engagements to promote PRC interests, with the ultimate aim of influencing policy making and decisions.⁴⁸ In Palau, this primarily comes in the form of tourism. The PRC's near-monopoly on Palauan visitation allows it to strategically restrict the largest driver of Palau's GDP whenever Palau acts in ways that do not align with the PRC's interests.⁴⁹ Similarly, the PRC uses illegal, unreported, and unregulated (IUU) fishing to intimidate Palau, leveraging Palau's limited resources and small size to influence compliance. In 2023, President Whipps accused China of entering Palau's water three times in the past two years, engaging in illegal fishing and "surveying activities."⁵⁰

The third tactic, cooption and pressure, is used by the PRC to influence foreign governments such as that of Palau through incentives and economic pressure.⁵¹ Numerous examples of PRC bribery have been documented, such

as in the letter written by Whipps in February 2024; PRC-linked business investments in the form of hotels, casinos, direct flights, and tourism; and CCP associates engaging with Palauan politicians and decision-makers. Here, the PRC exploits Palau's economic struggles to inspire a tradeoff between sovereignty and financial stability. Other forms of bribery include offering scholarships, educational tours, and cultural exchanges to Palauan journalists, students, and community leaders to garner local support. These select individuals often continue their relationships with the CCP members they meet on these trips via "Chinese Friendship Associations" in the Pacific, which are known fronts for PRC propaganda.⁵²

External Examples of PRC Election Meddling and Their Implications for Palau

Case Study: Taiwan

During the past two decades, the PRC has significantly increased its information operations in Taiwan's presidential elections. The PRC's ultimate goal is to eliminate Taiwan's sovereignty and any ties it has with the United States or other allies.⁵³ While Taiwan is a notably unique case for the PRC, there are still several lessons that Palau can learn.

Primarily, the economic pressure exerted by the PRC on Taiwan during the latter's election cycle could very easily be replicated in a nation such as Palau. In Taiwan, the PRC suspended tariff cuts on certain imports and threatened to further suspend tariff cuts after Lai Ching-te won the presidency in 2024, using the Cross-Strait Economic Cooperation Framework as a guide.⁵⁴ While effective in hurting Taiwan financially, this did not do much to sway public opinion or political influence within the country. However, on

an island such as Palau, this type of economic interference may prove to be more effective. With Palau's tourism and investment being so highly dependent on the PRC, pulling that funding without another nation's investments readily able to take its place could prove detrimental to the sway of the already financially fragile nation.

Another tactic used by the PRC in Taiwan was inventing and amplifying fear-inducing narratives aimed to "scare" Taiwanese citizens into supporting the PRC. These messages included claims that the majority of the Taiwanese public was against the nation's Democratic Progressive Party (DPP), that Taiwan's independence would harm the stability of the region, and that the United States was turning Taiwan into a war zone that only the PRC could save it from.⁵⁵ Specifically in 2024, such messaging was particularly salient, with the PRC aiming to have the election take on the tone of choosing between war and peace. Soon after, the PRC executed military drills near Taiwan, created "deep fakes" and altered images to instill fear over imminent People's Liberation Army military threats, and emphasizing the narrative that the United States would not help Taiwan in a crisis, leaving Taiwan truly isolated from the international community.⁵⁶ These messages were spread through content farms made up of Taiwanese social media accounts, bots, or unknowing social media users; by republishing messages to PRC content platforms; and by paying Taiwanese influencers to disseminate such PRC narratives.⁵⁷

Other messages included rhetoric that amplified domestic conflicts, such as claims that imported eggs and pork were poisoned, that submarine production was riddled with political scandal, and that DPP politicians were involved in sex scandals. These messages only became louder as election day

approached, with more stories concerning the moral failings of DPP candidates and Taiwan's supposed bleak economic forecast should they be elected.⁵⁸ Once again, none of the above efforts were effective in their intended purpose, but Taiwan had implemented a wide range of countermeasures to combat PRC information operations that Palau has not. These measures include instituting legal frameworks such as the Anti-Infiltration Act of 2020, actively debunking rumors and disinformation, prosecuting individuals involved in fake news campaigns, and promoting media literacy programs and civil society initiatives that track and counter misinformation.⁵⁹ Palau, a country with known corruption, little emphasis on media literacy, and next to no disinformation regulation, could be very susceptible to such narratives if the PRC chooses to spread them.

An important note regarding PRC interference in Taiwan is the PRC's demonstrated adaptability when it comes to conducting information operations. As highlighted in a Doublethink Lab report, "2024 Taiwan Elections: Foreign Influence Observation," the PRC changed its dissemination tactics in 2024 based on its learned failures in 2022. In 2024, the majority of PRC-linked disinformation campaigns came from fake social media accounts and artificial intelligence (AI) that quickly disseminated information. This was a major change from 2022, when PRC state media and influencers on the social media platform Weibo took a much more active role. The Doublethink Lab report hypothesizes that the CCP changed tactics after realizing that smear campaigns traceable back to the PRC were not as effective as fake accounts that cannot be linked to any individual or group.⁶⁰ Therefore, evaluating potential PRC disinformation campaign dangers to Palau requires

dynamic thinking, as well as considering where the PRC has already succeeded and where it could adapt from previous failures.

Case Study: The Philippines

Another country in which the PRC has expanded its election information operations is the Philippines. Despite significant local skepticism and strong resistance to PRC propaganda, the Philippines remains a testing ground for broader PRC influence operations across Asia.⁶¹ This is primarily because of the Philippines' status of being the "most social media-addicted country in the world," with Filipinos averaging 4 hours per day on social media platforms and 71 percent of the nation's population having active Facebook accounts. Additionally, in the Philippines, Facebook is the only platform that provides its users with internet access without using cellular data, making it many people's only source of news.⁶²

A primary similarity between the Philippines and Palau can be seen in the close ties that CCP operatives have with local state broadcasters and other partners. Similar to Moses Uludong's relationship with Tian Hang and the attempted establishment of the Palau Media Group, the PRC state media fostered strong relations with Philippine president Rodrigo Duterte before 2019, leading to ongoing formal cooperation agreements between the two countries. These included regular inserts and provision of content to the People's Television Network in the Philippines as well as in pro-government newspapers such as the *Manila Bulletin*, the *Manila Times*, the *Philippine Star*, and the *Philippine Daily Inquirer*.⁶³ While such efforts have been less successful in Palau, it is important to acknowledge that they have occurred and will likely continue to occur until the PRC finds an opening in Palau's media

environment. Palau should be highly suspicious of any subsidized press trips, financial investments in media infrastructure, or official agreements offered by the PRC that could lead to PRC influence either directly or indirectly.

Another tactic used by the PRC in the Philippines that could be duplicated in Palau is the PRC disinformation campaign known as “Operation Naval Gazing.” This operation, beginning in 2016 focused on messaging for topics such as Taiwan’s independence, the protests in Hong Kong, the COVID-19 pandemic, and the PRC’s geopolitical narratives surrounding the South China Sea.⁶⁴ In the Philippines, Operation Naval Gazing expanded its messaging to target the Philippines’ political environment by promoting candidates sympathetic to the PRC through multiple Facebook accounts, pages, and groups that reached an audience of more than 130,000 followers.⁶⁵ While the success of this information campaign is unknown, it is clear that Operation Naval Gazing succeeded in gaining significant followings and effectively disseminating pro-PRC content.⁶⁶ If the operation were to be replicated in Palau, there is no reason to believe that such successes would not be achieved again, with potentially greater impact due to Palau’s smaller information environment and population size.

Lessons Learned

Previous successes and failures of PRC actions during election campaigns in the Indo-Pacific reveal ways in which the PRC may continue to engage with Palau during its current election season.

Looking Ahead

Given Palau's small population, geographic location, and domestic corruption, combatting PRC election interference will be challenging. Tactics similar to those implemented in Taiwan should be expected, to include the amplification of local conflicts; the use of local proxies, media outlets, and social media accounts; the exploitation of domestic actors with ideologically aligned views; and the reliance on AI to generate text, images, and videos to aid in promoting desired PRC messages and outcomes.⁶⁷ Direct media interference and disinformation campaigns, as seen in the Philippines, are also probable.⁶⁸ Finally, Palau could also potentially see an increase in PRC maritime presence, primarily in the form of IUU fishing.

Solutions

Several countermeasures, inspired by those implemented in Taiwan, could help Palau build resistance to PRC propaganda. Palau should develop targeted training for journalists and media professionals on identifying and countering disinformation, aiming to bolster resilience and incentivize responsible journalism. Palau's government should prioritize actively debunking disinformation with counternarratives and prosecution of individuals involved in large-scale disinformation campaigns. Though challenging, this would publicly show the government's commitment to truth, reinvigorate trust in government institutions, enhance accountability, and collectively denounce PRC efforts. The government should implement legislation similar to Australia's News Media Bargaining Code, which requires large technology platforms to pay local news outlets for content linked on their platforms, or Taiwan's Anti-Infiltration Act, which tackles election

interference and improves openness relating to foreign agents and investments.⁶⁹ In Taiwan, the Anti-Infiltration Act has played a vital role in preventing PRC influence by criminalizing covert foreign-based political activities and disinformation campaigns.⁷⁰ Since its passage in 2020, Taiwan has reduced the number of infiltration sources in the country and consequently reduced external PRC influence.⁷¹ Finally, Palau should encourage civil society initiatives that track and counter disinformation, as well as media literacy programs in schools that teach students how to fact check and resist false narratives.⁷²

Implications

The PRC's objective in influencing the 2024 Palauan elections is to install a PRC-sympathetic candidate as president, allowing the PRC greater access to Palau's economy and government and with the ultimate goal of Palau derecognizing Taiwan. This is a part of the PRC's broader plan to reshape the global order by diminishing the militaristic and strategic influence of its rivals in the Indo-Pacific region and beyond. By targeting nations like Palau, the PRC seeks to dismantle regional support for Taiwan and consolidate a pro-PRC bloc within Oceania and the PICs to further expand its global influence.

The PRC primarily relies on checkbook diplomacy to gain support in the region. While this checkbook diplomacy could bring short-term benefits to Palau, such as infrastructure projects and tourism, in the long term, Palau could see a significant decline in its sovereignty. If unsuccessful in combatting the PRC's efforts in the region, Palau could expect diminished control over its exclusive economic zone, a greater reliance on the PRC for economic resources such as goods and tourism, and weakening alliances with the

United States, Australia, and other nations not supported by the PRC. Environmentally, Palau could be subject to the exploitation of its natural resources in the form of IUU and an overall disregard for its environmental policies and practices. Additionally, Palau could see an influx in domestically based PRC police operations and law enforcement that could lead to destabilizing the legal legitimacy of the Palauan government.

Conclusion

The PRC's strategic efforts to influence global media and sway elections through propaganda, disinformation, and censorship pose a significant challenge for Palau, especially as it approaches its presidential election. The PRC's activities, including attempts to infiltrate local media and apply economic leverage, highlight the need for Palau to adopt effective countermeasures. By drawing lessons from the experiences of Taiwan and the Philippines, Palau can enhance its resilience and protect its information environment.

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