DEVELOPMENT AND SECURITY IN THE PACIFIC ISLAND REGION

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Acknowledgements
The IPA Security-Development Nexus Program gratefully acknowledges support from the Rockefeller Foundation and the Governments of Australia, Belgium, Canada, Germany, Luxembourg, Norway, and the United Kingdom (DfID). This IPA program also benefits from core support to IPA from the Governments of Denmark, Sweden and Switzerland, as well as the Ford Foundation and the William and Flora Hewlett Foundation.

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Executive Summary

Pacific Island states face serious challenges and dilemmas, as a series of crises in the region indicate. Across the region, countries struggle with significant problems of state capacity, including poor leadership, poor governance and weak links between state institutions and community life and values.

However, the region is also characterized by high levels of social resilience; although this is often overlooked. State-centric responses that ignore social resilience may in fact damage it, worsening the situations states confront. It is important that policy-makers and others outside the region recognize the strengths of the region, in order to work with and not against them.

Statebuilding in emerging states

Pacific Island states could be better described as ‘emerging states’, rather than ‘failing states’. Violent conflict has not been widespread and social collapse is both rare and geographically confined. The tag of ‘state failure’ discounts the considerable strengths of Pacific Island states.

Part of being emerging states is that there is a significant disconnect and tension between the institutions of the state and the life and values of Pacific Island communities. State institutions consequently lack social legitimacy. Formal political, justice, policing and administrative systems often do not fit easily with customary governance mechanisms or local values. At times formal state institutions and informal social mechanisms interact destructively, creating conflicting obligations and systems of accountability that are open to exploitation and can encourage corruption. The relationship between government and community is often weak or undeveloped, which reduces the demand for appropriate forms of accountability. Tension between subsistence-based indigenous and market-based international economic arrangements can similarly fuel insecurity and conflict.

This does not, however, imply that ‘traditional’ and ‘modern’ institutions are inherently opposed. Instead, we could understand their interaction as a generative process, as people search for more constructive relationships between their own collective social values and the processes of the state of which they now form part.

Statebuilding in the region therefore requires not merely the transfer and support of government institutions, but recognizing that such institutions are embedded, and find legitimacy, in networks of social relations. Supporting the growth of citizenship, of constructive relations between communities and governments, and of more positive interaction between state institutions and traditional structures of authority are thus also fundamental to enhancing the state. Recognizing the important role of local political, social and economic structures, and encouraging constructive relations between them and state processes should not be seen as nostalgic, but as a ‘bottom-up’ approach to statebuilding.

Through ongoing interactions between local and introduced structures, people are working with the challenges and uncertainties of forging states grounded in Pacific Island communities. These processes are often difficult, experimental, and naturally conflictual. The task is to avoid violent conflict.

Security and development through community engagement

Community life is the basis of the social cohesion and resilience in the region. The health of communities is thus central to states working well in the Pacific. To meet the challenges of rapid socio-economic change, and of still developing state-society relations, citizenship and accountability, it is of fundamental importance to engage positively with communities. Engaging with communities is as important as working with government and is a necessary complement to such work.
The position and security of women could be taken as a major contributor to, and indicative of, the health of communities. Citizenship formation could be more actively supported. Local community governance, which is often concretely engaged in linking the local and national, the indigenous and the introduced, could be explored as a context for fostering national community.

The fundamental challenges facing Pacific Island nations concern how they can work with contemporary global dynamics and structures – liberal state institutions, the cash economy, global markets – in ways that draw on, and do not destroy, the sources of resilience that sustain their societies.

Securing development through small and communal rural enterprise

Economic development activities should be better targeted at rural economies, and focus more on small enterprises compatible with community structures and that bridge the informal exchange economy and the formal cash economy. Stimulating community-based economic enterprise can help to alleviate poverty and generate employment, reducing urban drift. But it can also help manage the tensions of economic change and so contribute to preventing conflict.

Weak economic growth coupled with high population growth has social and security implications. Rapid population growth fuels increased urbanization, as young people move to urban centers or large resource developments looking for work. Urban drift has weakened traditional ties to home districts. Since such ties operate as the principal normative device for social control, their loss is significant and is associated with increasing crime rates in urban centers, with Port Moresby, the capital of Papua New Guinea, the most notable example.

Land is a particularly sensitive issue. Communal land tenure is a key to food and social security for most Pacific Islanders; it provides a basis for identity, and is a source of social cohesion and resilience. It is thus a basic element of human security for the region. Substantial reform or abandonment of communal land tenure is contentious: in 2001, reference to land registration in a World Bank draft agreement in Papua New Guinea sparked widespread protests in which three people were killed. Significant abandonment of customary land tenure would involve undoing a fundamental source of support and resilience, while trusting in the ready availability of fully workable alternatives. More attention needs to be devoted to finding ways to reconcile market-based commercial enterprise with local, often communal, land tenure systems.

A role for regionalism

Regionalism is growing and could play an important role in development and security initiatives. Taking the time to talk across various levels of society about the intense changes underway across the region is important, as is the growing role of the 16 member, intergovernmental Pacific Islands Forum in pooling regional strengths.

Security challenges in the region are not purely endogenous but occur within and flow from a context of international exchange: the Pacific Island states and economies are small developing entities grappling with the demands and structural inequities of globalization, and working with the very mixed effects of decolonization, which is still recent in the region. Yet in contrast to Africa and the Balkans, transnational conflict formations are not a feature of the Pacific Islands region.

For reasons of culture and because of the emergent nature of Island states, regional cooperation in Oceania requires collaborative initiatives at the level of communities and civil society as well as states. External agencies supporting regional cooperation among the Pacific Islands need to assist extensive consultation processes involving communities as well as governments, while encouraging the continuation of forward momentum.
I. Introduction: diversity and common challenges

The Pacific Island region (also known as Oceania) is an area of extraordinary cultural, social, and political diversity. Its 28 island states and territories, comprising thousands of individual islands, reach over 30 million square kilometers, of which 98% is ocean. National populations range from over 5 million (for Papua New Guinea) to around 1,000 (for Niue) with a very approximate total of 8 million for the region, or 10 million if West Papua (or Irian Jaya, a province of Indonesia) is included.¹

The region's geography varies from tiny coral atolls to mountainous land masses. Together, the ocean and the extremely rugged terrain of many islands have meant that many indigenous communities developed in distinct ecological pockets, in isolation from each other or in far-flung networks of exchange. As a result, more than one quarter of the world's total number of languages are spoken in the region. The majority of the region's population is sustained by subsistence agriculture; many live in small communities and lineage groups. Melanesia, a cultural and ethnic sub-region which includes Papua New Guinea (hereafter PNG), the Solomon Islands, Fiji, Vanuatu, New Caledonia, West Papua (a province of Indonesia) and the Torres Strait Islands (part of Australia), makes up approximately 85% of the region's population and also holds most of the region's land-based mineral and timber resources.

The region's diversity also extends to political structures. Although the political system of most independent states in the region is some form of liberal democracy, Tonga is a slowly liberalising monarchy, Samoa a state where only chiefs can stand for election, while Fiji has 'communal' (voting within one's ethnic identification) as well as 'common' parliamentary seats. New Caledonia and French Polynesia hold shared sovereignty with France in a sometimes turbulent relationship; Niue and Cook Islands are independent but in free association with New Zealand; Palau, the Federated States of Micronesia and the Marshall Islands are in association with the US; Tokelau is a largely self-governing territory under the administration of New Zealand; West Papua is part of Indonesia; and the small islands scattered across the Torres Strait between PNG and Australia are part of Australia.

Despite this diversity, the Pacific Islands do form a region, although the exact borders may shift, depending on the perspective and purpose of discussion. Patterns of ethnic and cultural family resemblance weave across the region, alongside important historical, political, and geographical commonalities. Elements of a voyaging culture are ubiquitous and values of reciprocity, tolerance, restraint, family, spirituality, performance, and storytelling remain deeply embedded. The small size of most communities has meant that in much of the region societies are relatively participatory and oriented to consultation and peaceful conflict resolution.

Ocean and distance dominate much of the region, making communication, transport, trade, and the provision of services challenging. This has meant that the Islands can be seen as isolated and vulnerable, far from major lines of international trade. Countering this, commentators such as Tongan author Epeli Hau'ofa speak of 'our sea of islands'² where the ocean is understood as a unifying and binding force rather than an isolating one, and a shared source of

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¹ As West Papua is part of Indonesia, it is not a part of the Pacific Island region as a formal political category. However, it is predominantly ethnically and culturally Melanesian, and shares the same island as Papua New Guinea and so is often included on that basis in regional analysis and commentary. By contrast, New Zealand is a Pacific island, with significant geological similarities with the rest of the region and is often included in discussions of the Pacific; however, it is an industrialized state with a strongly predominant settler, rather than indigenous, population and cultural life - as is Australia. Neither are understood in this discussion as ‘Pacific Island states’ although both are members of the region’s leading political body – the Pacific Islands Forum – and are very active in the region.

environmental, material, cultural, and spiritual resources.

The region has an active network of inter-governmental agencies, as well as civil society and faith-based linkages. The leading political inter-governmental body is the Pacific Island Forum (PIF), which annually convenes heads of government and ministers from 16 member states (including Australia and New Zealand). Complementing the PIF is the Secretariat of the Pacific Commission, one of the oldest regional institutions in the world (established in 1947) which provides technical, scientific, and research support and organizational capacity building to the region. Despite important cultural and organizational linkages, frameworks for regional responses to shared economic, political and security challenges, or to regional crises, are still at a relatively early stage. The level of economic integration in the region is also quite low, reflecting the unintegrated nature of the Island economies. Growing efforts to deepen collaboration and strengthen the region’s capacities to ride out the risks that are part of globalizing international life are discussed towards the end of this report.

The region confronts many of the patterns of vulnerability evident in other parts of the developing world:

- low economic growth coupled with a very significant youth bulge; unemployment and very low human development indicators (particularly in parts of PNG and the Solomon Islands);
- poor leadership, corruption, and political instability; economic mismanagement on a grand scale (Nauru, Fiji, Tonga, and the Solomon Islands);
- protracted inter-communal confrontation or violence (Fiji, the Solomon Islands, PNG, including Bougainville, and West Papua);
- the growing presence of HIV Aids (particularly in PNG, but increasingly elsewhere);
- conflict around resource and land use;
- environmental degradation and resource predation (principally of timber, fish, minerals, and phosphates); and
- social violence, particularly violence against women.

Questions of self-determination are still alive in the region, now most notably (though not only) in West Papua, an ethnically Melanesian province of Indonesia, where conflict with the Indonesian army has led to significant levels of violence.

There is much to learn from the Pacific Island region in terms of both strengths and vulnerabilities. Vulnerabilities are often the first to draw attention, and the region has suffered a series of political, economic, and social crises over the past several years. Along with concerns around security, there has been intense debate around the region on the best paths to development in the Pacific Islands. Some of the directions debated could have significant consequences for human and intra-state security in the region. Australia is a major power in the region and the leading donor. Australian government responses to regional crises have endeavored to bring together security and development in a ‘whole of government’ approach. This effort is still at an early stage, however. Against this context, the International Peace Academy (IPA) and the Australian Centre for Peace and Conflict Studies (ACPACS) undertook a

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3 These include the South Pacific Regional Environment Program; the South Pacific Applied Geoscience Commission; the South Pacific Tourism Organisation; the Forum Fisheries Agency; the University of the South Pacific, with campuses across much of the region, and the Pacific Islands Association of Non-Government Organisations, the Pacific Concerns Resource Centre, the Regional Rights Resource Team, the Pacific Conference of Churches, the Ecumenical Centre for Research and Education, the Pacific Women’s Network Against Violence Against Women, and the Pacific Islands Broadcasting Association, as some prominent examples of many active cross-regional NGOs.

4 The Melanesian Spearhead Group is an inter-governmental body which seeks to promote the shared interests of the Melanesian sub-region. There are efforts to revive the group after some years of little activity in response to problems of political instability faced by Melanesian states.
study to deepen understanding of the complex interplay between development and security in the region.5

There is relatively little awareness of this rich and diverse region beyond the Island nations themselves. Yet decisions made elsewhere can and do have huge impacts on the region. Well aimed support from the international and broader regional community can make a critical difference to the paths open to Pacific states. Better understanding of Pacific communities and the challenges facing them is fundamental to this. The study draws attention to the strengths of the region’s deeply rooted societies, as well as to the emerging nature of the region’s states. In addition, it may speak to the intersection of security and development in other regions, and the way that intersection is portrayed in much commentary and policy.

II. Security Crises and their Developmental Roots

As a recent analysis of security and peace-building in the Asia-Pacific noted,6 violent conflict is not the norm for Pacific Island states. Nevertheless, there have been a number of serious internal crises in the region over the past 25 years, reflecting the fact that the region’s security challenges are internal rather than interstate. Regional security challenges are not purely endogenous but occur within and flow from a context of international exchange: the Pacific Island states and economies are small developing entities grappling with the demands and structural inequities of globalization, and working with the very mixed effects of decolonization, which is still recent in the region.

The 1980s saw conflict in Vanuatu, where a Francophone movement sought a path independent of the newly formed government, dominated by Anglophones; in New Caledonia, over independence from France; and in Fiji, where elements within the army (dominated by indigenous Fijians) mounted successful coups in 1987 overthrowing the first government in Fiji to be led by a party dominated by Indo-Fijians. All three conflicts were significantly shaped by the colonial legacy of the states and territories involved.

The Bougainville conflict also broke into violence in the late 1980s. Lasting almost 10 years, and fought across the island group at the eastern boundary of PNG, this was the region’s most bloody post-World War II struggle. Several thousand people died in fighting that erupted over a complex mix of factors – the intense social and environmental impact on subsistence communities of what was then the largest open-pit mine in the world, inter-communal conflict, and demands for greater self-determination from PNG. Inter-communal conflict in parts of the Solomon Islands, again rooted in patterns of uneven development intensified by grievances over land tenure around the capital—‘the predatory practices of logging companies from South-East Asia’—linked with government corruption and the availability of

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small weapons from Bougainville, lasted from 1998 until 2003 when the arrival of the Australian-led Regional Assistance Mission to the Solomon Islands (RAMSI) restored order. Some hundreds of people died, and up to 20,000 were internally displaced. Underlying problems remain, however. In 2000 another coup in Fiji followed the second election of the predominantly Indo-Fijian Labour Party to government (with eight deaths). To varying degrees the legacy or unresolved elements of these three conflicts (in Bougainville, the Solomons, and Fiji) continue to seriously challenge social and political life. This is most sharply the case in the Solomon Islands, where in early 2006 rioters, disgruntled with the newly elected parliament’s choice for Prime Minister, burned down many businesses owned by Chinese settlers, popularly seen as associated with vote-buying and corruption in business and politics.

Further from international sight, a simmering conflict in West Papua turns on Papuan demands for increased management of their own affairs confronting the violent suppression by the Indonesian military, but also involves concerns raised by large-scale resource extraction. While already violent, this conflict has the potential to develop into a protracted and particularly serious conflict with regional implications, as the Australian government has again been reminded by Indonesia’s opposition to Australia’s awarding of asylum to West Papuan refugees in early 2006.

Many of these crises have roots in historical patterns of uneven development, disruption of land tenure, or conflict around highly destructive resource extraction. Particularly in the context of a fundamental tension between the demands and promises of the international market economy and scarcely monetized subsistence or exchange economies, large scale resource-based projects can generate extreme confusion, social discontent, and envy. Bougainville is a leading example of this, but conflicts often represented as ‘ethnic’ such as in the Solomon Islands and Fiji also have roots in histories of uneven economic development. Moreover national or provincial governments in young states often do not have the capacities, or the popular authority and legitimacy, needed to manage these deep-rooted social and economic tensions. The rapid pace of social, political, and economic change following decolonization has severely disrupted traditional structures, values, and societies, while new structures are still taking shape. The underlying political and economic tensions – between international and subsistence economies, and between structures of authority in state institutions and local communities – reflect the fundamental nature of the political, economic, and social changes underway; the profoundly long-term nature of state-building; and the states’ colonial legacies.

Are Pacific Island states ‘failing’?

Since 2002, the concept of ‘state failure’ has been increasingly applied to parts of the region. Yet the studies upon which this report draws do not find that Pacific Island states are failing; nor does the concept of state failure help us to understand the challenges of state-building with which the region is grappling. Rather, Pacific Island states are emerging. This realization entails a somewhat different perspective on how to approach enhancing state capacity and security.

The greatly heightened international security concerns that followed terrorist attacks in New York in 2001 and in Bali in 2002 changed the frame of reference for understanding the implications of the region’s security challenges, not least in Australia – the major local power for the Pacific Islands region. The genuine challenges presented by security in the Pacific Islands – which in 2002 were dominated by the worsening crisis in the Solomon Islands, problems of law, order, and leadership in PNG; the still recent coup in Fiji; the legacy of hostilities in Bougainville; and weak economies across the region – were seen through a new lens. Comparisons were drawn with
trends in Africa and the Balkans. The Solomon Islands was said to be a ‘failed’ state, with others ‘failing’. As well as damaging their own citizens, failing states are seen as particularly susceptible to transnational crime or terrorism, and a danger to their neighbors. Some Australian political leaders and commentators wondered whether there was ‘an arc of instability’ around Australia.

Pacific Island countries struggle with serious problems of state capacity, including poor leadership, poor governance and weak links between state institutions and community life and values. Left unchecked, these problems are likely to deteriorate further, undermining social cohesion with grave consequences for local populations. Nevertheless, violent conflicts and crises, while significant, have been limited in comparison to many other developing regions. Comparisons with African or Balkan ‘failing states’ are misleading in some fundamental ways: They overlook sources of social cohesion in the region, including customary life, and so misrepresent both the nature of the states themselves and the extent of the region’s crises; they imply greater vulnerability to transnational conflict than is present; and they suggest a failure of established state institutions rather than the long process of developing sustainable state institutions grounded in their own societies and citizenry.

**Sources of resilience - customary governance matters**

Comparison with parts of Africa or the Balkans is mistaken in its imagination of the scope of the problems suffered by the region. Despite serious challenges, violent conflict has not been widespread and social collapse is both rare and geographically confined. Talk of ‘failed states’ can encourage alarmism – ‘Melanesia is on fire and one day the flames will engulf Australia’. But the tag of state failure discounts the considerable strengths of Pacific Island states, demonstrated by the resilience of Pacific Island societies but also by robust aspects of the state across the region.

Factors containing violence and promoting order in the region have often been local, whether customary or state-based – community work to restrain combatants, customary authority initiating reconciliation processes, the vigorous operation of the legal system, and the active role of civil society in the search for consensus. In some cases the assistance of other regional parties has been critical in restoring order (in Vanuatu, Bougainville, and the Solomon Islands). The long term viability of the current intervention in the Solomon Islands is likely to depend on how well it collaborates with those indigenous forces supporting order and reconciliation. While parliamentary and electoral systems have not translated easily into Pacific societies, in ways that are discussed briefly below, with the exception of Fiji (1987 and 2000) and the Solomon Islands (2000), governments are not changed or held in place by violence or the threat of violence. As Graeme Dobell has pointed out, democracy has been relatively successful in the Pacific.

While the functions and institutions of the state are under intense strain in a number of Pacific Island states, this has not equated with a generalized breakdown of social order. Writing of the crisis in the Solomon Islands, Clive Moore noted that what ‘had failed was the introduced modern centralised processes of government . . . not the lives of the 84 percent of Solomon Islanders who still live in villages and remain dependent on subsistence agriculture and

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Most of the region, even in those countries that have been marked by periods of serious violence, remains orderly and peaceful. Despite pressures, community and custom—including customary governance—are still relatively strong and evolving in the Pacific Islands. In parallel, subsistence food production remains the central form of livelihood and sustenance. By and large people can sustain their lives, in many areas well, and food is distributed through kinship and language-group relations. There is none of the widespread starvation associated with Sub-Saharan Africa, for example. Economic growth, while much weaker than East Asia, is substantially better than Sub-Saharan Africa. Fundamental security in the Pacific Islands, in terms of both food and social order, is substantially provided by kin and village. Formal policing, by contrast, has a minimal profile.

Vulnerability to transnational conflict factors

In contrast to Africa and the Balkans, transnational conflict formations are not a feature of the Pacific Islands region. With the important exceptions of interconnection between the Solomon Islands and Bougainville conflicts, and the potential for tensions in West Papua to lead to significant refugee flows into Papua New Guinea, there are natural geographic barriers to violent conflicts directly crossing borders. The illegal movement of small arms into Papua New Guinea and the Solomons poses serious security problems, while the availability of small arms has had a profoundly destructive impact on community and customary processes in these countries, including Bougainville (which is now working on reconstructing community relations undermined by the prevalence of small arms). However, according to recent studies the illicit trade in small weapons in the region is relatively limited.¹¹

Fijian mercenaries are a destabilizing presence in Bougainville, where they have been hired by a local con-man. Security forces in the region have played a leading or complicit role in crises in Fiji, the Solomon Islands, Vanuatu, and (to some extent) PNG, as well as helping spark conflict in Bougainville. The region is not, however, characterized by systematic abuse of military power, while military forces themselves are comparatively small.

Failing or emerging states?

The term 'state failure' can give a misleading picture of both the character of states in the region and what is happening with government. State failure implies a disintegration of already established state institutions and a consequent breakdown of the orderly social and economic processes that in established states depend directly or indirectly upon the operation of those institutions. But as various commentators have pointed out, the state is still in the process of being created in the Pacific Island region.¹² While this means that state institutions are often weak, it has also meant that the collapse of those institutions, while serious and costly in human and economic terms, does not necessarily imply a broader social collapse. The label of state failure may say more about unrealistic expectations in approaches both to the region and to state-building – expectations that working, modern nation-states are essentially a set of institutions that can be delivered like a product, rather than being complex political processes and structures embedded in the society from whence their legitimacy is derived.

III. State-Society Relations

One of the characteristics of emerging states is the unstable relationship between the institutions of the state and society. While the transfer of liberal institutions has met with varying degrees of success across

the region, these institutions often lack roots in the patterns of legitimacy and authority that have weight in grassroots communities. As in some other post-colonial regions, many small, localized and highly diverse communities with their own semi-traditional governance mechanisms organised around clan or language based patterns of loyalty, now sit within the structures and institutions of the contemporary state and the dynamics of globalized markets. The institutions of the state, however, from parliaments to police systems, are in some ways in deep tension with customary or local community governance mechanisms and cultural norms. In some Melanesian societies, for example, violent payback is part of how order is established following serious crime. Governments and their processes (such as voting, for example, or political representation in parliament) face the challenges of working in ways that make sense to the majority of the population and also of working effectively with often extraordinarily complex patterns of political and cultural difference within a single state.

The disconnect between state institutions and society can work to distort both the proper functioning of state governance and of community processes. This has profound consequences for development across the region, and bears both directly and indirectly on many of the security challenges which the region is confronting. The gulf between state and society seriously weakens the potential for democratic process and, at worst, generates governments characterized by intense self-interest, localism, structural instability, and vulnerability to corruption. Conflicts over resources are exacerbated, as the processes that deal with fundamental questions of the management, use and distribution of resources are often fractured or dysfunctional. It is no accident then that most of the violent conflicts that have erupted in the region have occurred in the comparatively resource-rich Melanesian states or territories.

Indigenous States?

Rather than seeing the region as beset by ‘state failure’, it may be more accurate to see people and governments across the region as grappling with the profoundly difficult, faltering, but also creative processes of reshaping and re-imagining the way political community is lived, understood, and institutionalized. The region could better be understood as undergoing a generative process, rather than being in a state of collapse, as people search for more constructive relationships between their own collective social values and understandings and the processes of the state of which they are now a part.

Understanding the region as made up of emerging states, characterized by a still undeveloped relationship between government and communities, encourages a somewhat different approach to the region than that provided by a framework of ‘state failure’. The shift has implications for agencies pursuing development and security. In particular, if many of the region’s problems flow directly or indirectly from a poor relationship between state institutions and community values and practices, then supporting the constructive interaction between those institutions and society, and the associated growth of citizenship, rather than solely the quality of state institutions in themselves, is critically important. While there is wide agreement that assisting the growth of accountable, democratic, and stable government is a fundamental response to the region’s difficulties, this task has been largely equated with bolstering central government institutions. While this is important in itself, the ‘state’ is not reducible to central institutions, and strengthening governance involves more than the transfer of such institutions. To understand many of the problems of governance in the region, and support the development of government grounded in local societies, it is important to appreciate the nature of the interactions...
between community norms and state institutions. Abby McLeod's discussion of efforts at police reform in PNG, for example, makes clear that local understandings of social order and the role of violence within it need to be taken into account (although not necessarily accepted) if policing is to be effective.\footnote{Abby McLeod, “Police Reform in Papua New Guinea” in Security and Development in the Pacific Islands, edited by M. Anne Brown (Lynne Rienner, forthcoming).}

More subtly perhaps, emphasizing the emerging nature of the region's states offers a more positive and appreciative approach than that offered by the language of 'failure' – an approach that is conscious of the strengths as well as the real problems and difficulties which many Pacific states face. As noted above, one of the fundamental qualities of Pacific life is the resilience of its communities. Powerful local identities are often seen as an obstacle to the development of a sense of bonded national community. Yet robust local communities could also be seen as a resource. The centrality of community life to the emergence of strong Pacific states is discussed below.

**Colonial Legacies**

State institutions in the Pacific Island region are relatively recent constructions, inherited from colonizers. For example Fiji became independent in 1970, PNG in 1975, the Solomon Islands in 1978, and Vanuatu in 1980. As elsewhere, while Pacific Island countries' experiences with colonization led to the transfer of the modern state form, they often involved little preparation for modern statehood.

State forms were 'delivered' to the Pacific Island region like a product. Populations were scarcely introduced to the processes of representative democracy and there was little preparation for the economic and management capacities that underpin the expensive job of running a state. Indigenous Fijians, for example, did not have the opportunity to vote until the 1960s; and when they gained independence in 1970, they had little grasp of democratic practice – a challenging prospect in a dramatically multi-ethnic country after Indian indentured labour was brought to work British sugar-cane farms. Nauru, extensively mined to the benefit of British, Australian, and New Zealand companies and governments, became independent in 1968. While it assumed control over its natural resources two years later, virtually no investment in education (during colonial times or later) meant that the population (the size of a country town) was not prepared for financial management on a national scale. As a consequence, The Economist declared the country 'one of the world's most dysfunctional' on the basis of its economic management.\footnote{“Asia; mystery island: Nauru”, The Economist, 366, 8 March 2003, p.66.}

Most of the region's people had no traditions of national identification: few countries shared one indigenous language, a common culture or any pre-colonial history of unitary rule. Colonial rule was itself often fragmentary. As a result, many peoples in the region had little lived understanding of abstract notions such as 'nation' and 'citizenship'. Party politics has not translated easily into Pacific region societies. Across most of the region, leadership is exercised through the lineage or the language group (wantok or 'one talk'). Despite the formal introduction of representational democracy along party lines, obligations to and expectations of wantok and lineage remain in many respects more powerful than the abstract concept of a party, or than obligations to a parliament. People tend either not to hold their formal leadership or political and economic institutions to account, or they hold them to account in terms of clan or custom expectations. This has
resulted in very weak party systems, a high turn-over of parliamentarians, and at times unworkable parliaments, particularly in the Solomons, PNG, Nauru, and Vanuatu, undermining the capacity of governments to provide services or represent electorates.

A context of conflicting obligations and systems of accountability encourages corruption and is open to exploitation by political entrepreneurs, within and beyond government. The state centralizes certain kinds of decision making power, including over resource use; such centralized power can become a prize to be captured, particularly in the resource rich states of Melanesia. The Solomon Islands and PNG have experienced the most extreme examples of this negative dynamic. At best these dynamics are a serious obstacle to the emergence of active democratic life, while resources are diverted from real needs by frequent political contest. At their worst they can generate serious corruption and ‘disillusioned, powerless and poor communities.’

Breakdown in the provision of basic services can itself act as a kind of disenfranchisement, resulting in deep popular disenchantment, anger, and distrust.

Wantokism (clan or cultural affiliation and its obligations), however, should not be simply equated with corruption. Commenting on PNG, Abby McLeod notes that wantokism is ‘a particularly strong example of the disjunction between the formal (and supposedly impartial) legal justice system and Papua New Guinean sociality.’ Wantokism also underpins the social welfare provision which Pacific Island governments are not equipped to provide. The conflict between liberal institutional or legal modes of accountability and customary obligation is not limited to government, but is widespread. At worst the interaction can work to degrade both by playing off competing forms of accountability against each other, or by reframing customary solutions in contexts which utterly change their meaning. The availability of high powered weaponry, for example, profoundly distorts the dynamics of traditional compensation, as is evident in parts of the Highlands of Papua New Guinea, and during inter-communal conflict in the Solomon Islands. The demand for money with menaces bears little resemblance to the voluntary handing over of customary goods as a gesture of thanks or request for forgiveness.

The centrality of community

Analysts reflecting on these dilemmas often see the small scale nature of Pacific Island (particularly Melanesian) political organisation, its social and cultural diversity, and the strong tendency to identify with clan ties, rather than with broader national or institutional affiliations, as the primary problems for governance in the region. The disjunction between society and state institutions is often seen as a struggle between opposing forces – as ‘a more fundamental conflict over which organisations... the state or others, should make the rules.’ But smallness, diversity and associated features of Pacific Island society also work as sources of strength. To cast the problem as one of a struggle between essentially ‘traditional’ and ‘modern’ processes is to abstract and fix these categories far too rigidly, while to pit local patterns of social life and value against liberal institutional models is to view events – and conceive of policy – in terms of an unwinnable and mutually diminishing conflict. Rather than the strength of local

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community being cast as the problem, the challenge could more accurately be seen as the difficult but developing relationship between the evolving patterns of legitimacy and values that shape Pacific sociality and the centralized power structures and decision-making processes of the state. The challenge for those in and outside the region is to support the emergence of a constructive, rather than destructive relationship between those two.

Where states have little capacity to provide services, but where customary or local community authority remains significant, working with community level governance may be at least as valuable as supporting state institutions. Political institutions are embedded in social relations, of which civil society, citizenry and community life are fundamental parts. The quality of these institutions and of national political life is interdependent with the quality of citizenship. Support for greater connection between government and communities, and for the emergence of a broader understanding, not just of community obligation at the local level, but of national citizenship, is fundamental to a working democracy. But citizenship, and a broader sense of community, needs to be sought partly through engagement with, not rejection of, community life at the local level.

Supporting a democratic state then lies not only in working with governments, although of course that is vital, but also with communities, and with the structures of authority and legitimacy that provide many of the working underpinnings of social order. Government at the local level is often involved in a very practical search for a marriage between introduced and local governance norms and mechanisms, between the (changing) values of custom and emerging civil society groupings, and between state institutions and the community. Ideally, broad based engagement in ongoing efforts to build workable coherence across government institutions, customary mechanisms, and civil society would itself be a key mechanism by which people come to own their governing institutions and by which a sense of national citizenship takes root.

This is not to suggest that customary and community governance mechanisms have the ‘answer’ to problems of governance in the region, that they are without serious problems of their own, or capable of dealing with the complexity of contemporary international life. The effort to bring together introduced state systems and various local approaches is not a search for a grand solution but part of an ongoing exchange of experience from which somewhat new forms of political community will slowly take shape.

There are longstanding debates in the region around the marriage of indigenous and introduced governance norms. These debates have tended to focus on the search for constitutional solutions to the dilemmas posed by such a marriage. It may be that experimentation in the shapes and processes of state institutions also needs to occur, and is occurring, in small, practical and concrete terms ‘on the ground’, not only in the capitals and offices of the writers of constitutions.

Experimentation may also be driven by political and social crises, although the challenge remains to avoid the severity of the crises of Bougainville, the Solomon Islands, Fiji, New Caledonia, or West Papua. Bougainville offers one example of creative political solutions at the local, provincial, and national level including the ongoing negotiation of constitutional and political responses to the struggle over self-determination. ‘[O]ut of the experience of conflict is emerging the development of norms, widely accepted by Bougainvilleans, about the use of violence by both groups in society and by the state.’

Women

Writing of PNG, Orovu Sepoe argues that the subordination and vulnerability of women's position in society itself undermines the potential for broader development. ‘Given both that the female population constitute nearly half of the total population, and the fundamental role that women play in the life of the community, it is no wonder that [the insecurity and restricted life chances of women are] reflected in the overall low level of human, social and economic development for PNG.’ UNICEF agrees, stating that ‘[r]ape has become a major threat to social stability and economic development and seriously impedes the full and active participation of women and girls.’ At the same time, Sepoe believes, the insecurity and marginalization of women signifies and continues the pattern of lopsided development and systematic exclusion that she considers characterizes much development in PNG. The more inclusive a society, she suggests, the less likely it is to resort to violence. Sepoe calls for more participatory, consensual, and reconciliatory decision-making in public and private life – models which have a strong cultural basis in the Melanesian context.

Helen Hakena (who runs a rape crisis center in Bougainville) has noted that for women, the war in Bougainville has not ended. Many of the men, traumatized by the violence, became addicted to a particularly potent home brew during the crisis years, leading to exceptionally high rates of indiscriminate violence against women. Neither the traditional nor the formal policing and justice mechanisms have been able to cope with the social dilemmas generated by the violence or with the quantity of cases. This is an extreme case, following the chaos of protracted conflict, yet the position of women and the level of violence against them in many parts of the Pacific is troubling. It is a form of deep insecurity directly affecting many people in the region.

Development projects can have complex and unintended impacts on gender roles and benefits do not automatically flow to women, as a number of studies upon which this report is based made clear. Access to markets is a leading issue for rural women, however. Gender sensitive support for community enterprises may be one important way of contributing to the security of women and communities.

There is considerable variation in the role of women across the region with some matrilineal societies providing them greater influence. Nevertheless, the Australian Senate Report noted that region-wide, ‘[w]omen do not only face direct violence, but higher rates of illiteracy, poverty, unemployment, poor health, discrimination, heavy daily workload, . . . and low participation in the political process and decision making at all levels.’ There is moreover a widespread belief in parts of the region that violence against women is increasing. UNICEF’s 2005 Report on Children and HIV Aids in PNG stated that ‘[r]ape and sexual assault have reached epidemic levels’ in PNG while twice as many women as men in the 15-29 age group are infected with HIV Aids.

There is debate within the region on the extent to which the often vulnerable position of women represents traditional values or is a deterioration of

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23 A Pacific Engaged – Australia’s relations with Papua New Guinea and the island states of the south–west Pacific. (Foreign Affairs, Defence and Trade References Committee, August 2003). Recommendations, p.xxx.

such values. While the subordinate role of women is rooted at least in part in custom, the interplay of custom with introduced political and economic dynamics is complex and the pressures of rapid change intense. Anthony Regan points out that the plantation economy in Bougainville, for example, undermined ‘the previously pre-eminent economic roles of women (through men taking control of the new forms of wealth emerging from the cash economy)’ and because Administration officials did not understand matrilineal ownership. Poverty and social fragmentation also play a role, with ‘marginalized men work[ing] out their frustrations on the women.’25

Self-determination

Questions of self-determination remain significant and highly contentious in any consideration of security and development in the region. Self-determination has been, and is likely to continue to be, central to episodes of serious violent conflict in the broader region. The current conflict in West Papua, already destructive of lives and communities, could escalate with tragic consequences. Escalation could also bear significant negative effects on Indonesia and on relationships between Indonesia and its neighbours. This problem needs attention and support from the international community.

All of the three territories considered here in the context of self-determination – New Caledonia, Bougainville and West Papua – are mineral rich.26 All three have undergone massive impacts on land, environment, and culture, and all raise sharply questions of who controls and profits from the wealth brought by resource extraction, and who bears the destructive consequences of the mining operations. In these cases, conflict over self-determination has also been grounded in questions of control of resources, land, and culture and of collective self-direction, at least as much and perhaps more than in matters of sovereignty and statehood.

New Caledonia, Bougainville, and West Papua are all at different points in their conflict cycles. Despite differences, there are enough broad similarities among these three resource rich Melanesian societies to suggest that they could learn something from each other. As Nic MacLellan points out, during the 1980s it was New Caledonia that was at the forefront of security anxieties in the region, as the independence struggle generated serious violent conflict with the very real threat of rapid escalation.27 As a result of efforts on the part of all parties, however, New Caledonia has been remarkably calm since the intense confrontations of the late 1980s. The better inclusion of indigenous New Caledonians (Kanaks) in the country’s modern economic growth (including the benefits of mining) and formal political system, and the very gradual move towards a deferred referendum on full independence from France (scheduled for a time between 2010 and 2015) has played an important contribution to this outcome, as Paul De Deckker has pointed out.28 There is increasing criticism amongst Kanaks, however, that commitments reached in 1998 to include indigenous people more fully in business and government are not being fully implemented. Indigenous conflict resolution mechanisms have also played a key role in the ongoing process of reconciliation in New Caledonia.

26 French Polynesia and the Marshall Islands, which is in association with the US and a site for US missile tests, are also experiencing tension around levels of self-determination.
The shape and deliberate slowness of the political resolution in New Caledonia in turn became a model for Bougainville, in its own emergence from a long period of civil conflict and self-determination struggle with PNG. The populations of both New Caledonia and Bougainville have yet to finally resolve the question of what form of self-determination they want – whether autonomy or full sovereignty; their stability remains finely balanced. In the meantime, the effort to approach the dilemmas involved gradually and non-violently makes it possible to hope that constructive ways forward on the challenges of self-determination will be found. In the face of the dominant awareness of the weaknesses of the region, these outcomes say much about its strength.

West Papua too has been and seems likely to continue to be the site of serious violence. It is also home to the largest open-cut mine in the world. While figures for fatalities are unclear, in Jason MacLeod’s assessment ‘West Papua is one of the most protracted, complex, and volatile conflicts in the Pacific.’ It may become the most bloody. There are efforts in both Jakarta and West Papua, fragile at this stage, to find non-violent paths to a political solution acceptable both to the government in Jakarta and to communities and activists in the province. The Indonesian military make up a third party, however, with powerful interests of their own. This conflict may have as much to do with the relationship between the Indonesian government and the army as it does with the relationship between Jakarta and West Papua. This situation could deteriorate significantly, with tragic consequences for all parties.

IV. Economic Pressures

Economic strength or vulnerability is linked to security at many levels. Questions of economic fragility, the basic sustainability of small island economies, financial mismanagement, and poor economic growth rates coupled with high population growth have fuelled concerns about regional security in donor governments. With some exceptions, since the late 1980s the region has experienced a lengthy downturn in economic growth, although there are signs that this may be changing for PNG, one of the shakiest performers over the past decade and the biggest economy among the independent states.

In discussions of Oceania’s economic health and its implications for security, however, it is important to be aware of the existence of both the formal, cash economy and the informal subsistence or exchange economy interacting with each other in complex ways. Growth rates and other indicators are not available for the subsistence economy. The economic figures available to us, then, provide an important but partial insight into the economic life of the countries involved. This is significant considering that the long economic downturn intensified disputes over the appropriate economic directions for the region. Specifically, the debate has centered on the question of whether contemporary models of economic liberalisation are the answer to the region’s economic woes, or whether aspects of these models contribute to conditions of deeper insecurity and violence. In broad terms, key aspects of the debate, and the policy mix taken through it, turn on the value given to the unmeasured subsistence economy. The studies upon which this report draws point to the importance of diversifying development, and placing increased emphasis on small, rurally based enterprises that are compatible with community structures and the informal economy, and are supported by improved infrastructure. Ideally, this would mean modest increases in growth and greater participation in the formal economy, while sustaining the nature of community life.

Growth and vulnerabilities

Island governments, keen to reassure aid donors and the institutions of global governance that they are adapting to the new global trading order\textsuperscript{30} have indicated their commitment to continuing economic liberalization. Some commentators, however, are urging more robust implementation of neo-liberal economic programs to ensure growth in the formal economy. Of a range of possible measures, substantial reform or abandonment of communal land tenure is the most contentious. Economist Helen Hughes argues that no country in the world has developed from a base of communal land ownership.\textsuperscript{31} The World Bank notes that lack of security of tenure for investors, as a result of customary communal tenure, acts to deter investors, especially those interested in large-scale investment.\textsuperscript{32} Conflict around these issues is not simply academic – in 2001, reference to land registration in a World Bank draft agreement in PNG sparked widespread protests in which three people were killed.

The exchange or subsistence economy is in some areas coming under considerable strain. In places, hardship, even poverty, is real. Nevertheless, the subsistence lifestyle supports most people, including during fluctuations in the cash economy. The subsistence economy is interwoven with community and cultural values of sharing and reciprocity and rests on customary land tenure. Significant abandonment of customary land tenure would involve undoing that fundamental source of support and resilience, while trusting in the ready availability of fully workable alternatives.

Growth rates in the formal economy have gone through a series of peaks and troughs since the independence decade of the 1970s. Fluctuations in economic growth reflect both internal factors and the regional economies’ vulnerability to international commodity prices. Overall, as economist Stewart Firth has pointed out, ‘per capita GDP in the Pacific Islands has increased by 0.5 per cent per annum since 1975, by contrast with a decline of 0.9 per cent in sub-Saharan Africa.’\textsuperscript{33} Over that period, growth rates have, however, been lower than those of the Caribbean.

High population growth rates across the region, moreover, intensify the need for improved growth in the formal economy. In terms of fertility and mortality rates, the region appears to be comparable with many Asian states in the 1950s and 1960s. Life expectancy in the Pacific has increased and infant mortality rates have fallen. While wholeheartedly positive, combined with continuing high fertility rates this means that population growth, at an average of over 3% per annum\textsuperscript{34}, is significantly outstripping economic growth in the formal sector. Approximately 40% of the population of PNG, Vanuatu, and the Solomon Islands are aged 15 or under.\textsuperscript{35} Such growth rates seem very likely to overreach the capacity of traditional family based support networks. They also put extraordinary pressure on the formal economy to absorb the large number of new faces looking for work, and to fund education and health services.

Weak economic growth coupled with high population growth has social and security implications. Rapid population growth fuels increased urbanization, as young people move to urban centers or large resource


\textsuperscript{31} Helen Hughes, “Aid has failed the Pacific” Issues Analysis No.33, The Centre for Independent Studies, St Leonards, Sydney, 2003 and Issues Analysis No.53, 2004.


\textsuperscript{33} Stewart Firth, “The Impact of Globalisation on the Pacific Islands,” p.2.

\textsuperscript{34} Helen Hughes, “The Pacific is viable” Issues Analysis No.53, The Centre for Independent Studies, (St Leonards, Sydney, 2004).

developments looking for work. Urban drift has been characterized by a weakening of traditional ties to home districts. Since such ties operate as the principal normative device for social control, their loss is significant and is associated with increasing crime rates in urban centers, with Port Moresby, the capital of PNG, the most notable example. Squatter settlements, unemployment and poverty, prostitution (including child prostitution), sexually transmitted diseases including HIV Aids, and social violence are the negative consequences of population growth outstripping the capacity of either the cash or the subsistence economies' capacity to absorb it. High concentrations of unemployed youths can also be vulnerable to manipulation by those with interests in political conflict, or contribute to an environment in which social unrest can easily intensify into violence.

Pacific Island economies are vulnerable in other ways. Intra-regional trade is slight, although efforts to enhance it and collaborate on a regional framework of pooled services to support trade and growth are being spearheaded by the Pacific Island Forum. The formal Island economies are small, open and largely dependent on the export of primary commodities – minerals, timber, copra, palm oil, coffee, and sugar. The Island economies need trade and investment, but their export bases are narrow, leaving them highly exposed to fluctuating prices over which they have no control. As the global economy liberalizes further, at least some of these primary commodity prices can be expected to drop, potentially causing great stress for Island countries. The region suffered from the reduction of commodity prices in the 1980s and the Asian economic crisis of the 1990s. This intensified economic uncertainty almost certainly contributed to increased political volatility in PNG. (Nevertheless, the informal subsistence economy has ensured food security for most of PNG throughout these periods.) A sharp decrease in Fiji's income and employment from sugar and textiles is expected to flow from phasing out preferential trade agreements incompatible with the WTO. Given the sugar industry's high employment of Indo-Fijians, a drastic decline of the sugar industry is likely to have an impact on intercommunal relations.

Small rural enterprises as conflict prevention

As with the lack of fit between introduced and indigenous political and social governance, so tension between indigenous and international economic dynamics is an underlying factor encouraging insecurity and conflict. According to Yash Ghai, writing about intercommunal conflict in Fiji, '[t]he root of the troubles is the pace of economic and technological changes, which have seriously disrupted traditional values and structures, destabilized societies, and reduced their economic and political self-sufficiency.' These tensions, which complement the lack of fit between customary and introduced political governance, need to be recognized and consciously engaged across the region.

While jobs need to be generated for city dwellers, efforts could also be made to stabilize urban drift and take the reality of rural livelihoods more seriously into account. As the studies of PNG and the Solomon Islands note, if over eighty per cent of the population lives in rural areas undertaking subsistence food production and exchange, economic development efforts also need to be more significantly located there. Large resource developments and urban developments need to be at least complemented by many smaller enterprises and industries compatible with local rural communities and able to be managed by them – tourism, infrastructure, and community industries that support community structures while also providing greater economic and employment alternatives within them.

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Such an approach would have economic and social benefit, but it could also be understood as a form of conflict prevention. Viable community based enterprises, supported by infrastructure that, for example, provides access to markets, offer a mechanism for responding to rural hardship and generating income and employment. Greater employment opportunity and variety can make a positive impact on urban drift. Moreover, local rural enterprises can also be a way of engaging the tensions between traditional values and economic change and so contribute to managing the conflict generated by economic change.

Size and capacity

Low capacity to manage exportable resources, which often results in resource predation, is a further source of economic and social vulnerability for Pacific Island governments and communities. The Solomon Islands, for example, is being stripped of timber by Asian logging companies. Fish breeding stocks are not well policed and are under pressure by trawlers from beyond the region. Governments seeking foreign exchange and investment can be susceptible to pressure and manipulation from parties outside the region, whether companies or governments, supporting inappropriate commercial ventures that leave them prey to bankruptcy and destabilize financial systems. Lack of pressure for public accountability has meant that areas of government have become embroiled in corruption around the export of resources. In other schemes, Vanuatu and Nauru run tax havens, while others offer flags of convenience to shipping companies; some governments have shown a willingness to use their vote in international agencies of one kind or another as leverage for aid packages. Competition between China and Taiwan for diplomatic recognition across the region has resulted in what can be destabilizing ‘bidding’ for support, using aid, investment or (in the case of Taiwan) just straight cash payments to critical decision-makers.

All the island economies are reliant on foreign aid and import more than they export. Australia is the major aid donor to the region as a whole, although not to each individual country. The other major donors, in descending order, are Japan, New Zealand, the EU, the USA, France, the UK, and Canada. China is becoming increasingly important in the region as a source of aid and investment. For some non-sovereign territories (e.g., New Caledonia) economic dependence remains one of the arguments against full independence.

There is an argument that micro-economies are simply not viable. A comparison of Pacific Island economies with the Caribbean undertaken in 1996 by Te'o Fairbairn and DeLisle Worrell, however, indicated that micro-economies can be dynamic and self-sustaining. Some micro-economies in the Pacific have managed well. Samoa, for example, has an active local business community, built around tourism, service industries and a small but viable export industry in electrical equipment and semi-processed food stuffs. Small, locally managed enterprises could also contribute to local self-reliance.

Land

Land is central to questions of both development and security for Pacific Island people. Questions of land have been key to many conflicts in the region while the tension between communal land tenure arrangements and a capitalist market economy is one of the most contentious issues in economic development. For indigenous Pacific Islanders, land is a source of

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37 Tonga and Tuvalu have both had problems with ships registered under their flag trafficking in arms or drugs.

38 According to the study, tourism appeared to have made the greatest contribution to Caribbean economies. The study indicated that, at the time it was undertaken, growth rates, income per capita, distribution across the economy, and basic services were better in the Caribbean. Fairbairn and Worrell, South Pacific and Caribbean Island Economies: a comparative study. (The Foundation for Development Cooperation, Adelaide, 1996).
livelhood for the family and the lineage across generations. Land is at the heart of community, genealogy and spiritual life but also of self-reliance and independence. Thus it is the intersection point for political, moral and real economies. Land is also the context of disputation, compensation and customary violence. Economic activity that does not comprehend the complex range of sensitivities regarding land in the Pacific opens the potential for highly destructive violence, as the history of Bougainville demonstrates vividly.

Economist Helen Hughes argues that ‘Pacific governments are failing their people’ in large part for their inability to deal with communal land tenure.39 Clive Moore notes that according to this view ‘the solution to underdevelopment is to remove social formations that conflict with development.’40 Overturning communal land arrangements also runs a very high risk of creating a large, disaffected landless class. Entrenching grievance and marginalisation is not a path to economic growth.

If conflict prevention and security are to be given genuine weight, then the linkage between communal land ownership and the satisfaction of fundamental social and food security needs to be recognized. These outcomes are of extraordinary value, even if they pose significant complexities for commercial dealings. The resilience of social life in the region rests on an unclear but profound extent upon customary relationships with land. These relationships are gradually evolving; to undermine them, however, would be counterproductive to security in every sense.

Increasing population density and declining land fertility in parts of the region are increasing pressure on traditional land tenure systems. More significant, however, is the accumulated tension between customary land tenure and the use of land for investment and commercial development. Misunderstandings between people applying custom and market approaches to land are common.41 While customary land tenure does not fit well with the demands of the market, investment and local commercial enterprise is critical to contemporary economic vitality.

In 2003 the Australian Joint Standing Committee on Foreign Affairs, Defence and Trade discussed options to enable investment in the Pacific, considering techniques such as land registration and lease/lease-back arrangements. In PNG, for example, such registration systems have led to over 50,000 hectares being turned over to oil palm production. The Committee noted, however, that processes such as land registration can be highly provocative, given the centrality of communal tenure. It called for greater imagination on the part of financial institutions and donors about ways in which ‘development can be financed at the local level without individual land registration so that communities can remain in control of their land.’42 Donors could also consider how best to support what is already working and set out with Pacific Islanders to find ways of bringing commercial and market dynamics into constructive relationship with indigenous values and community structures. As Moore comments regarding the interaction of development and customary land tenure in the Solomon Islands, ‘the strength of the Solomons lies in its villages and

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41 A key difficulty is that, in broad terms, Melanesian notions of land tenure “only allow for the multiplication of claims (through marriage, exchange etc), not their extinction or resolution, [whereas] developed states rely upon legal principles of free, simple ownership and permanent transfer of title.” Peter Polomka (ed.), Bougainville: Perspectives on a Crisis, Strategic and Defence Studies Centre, Research School of Pacific Studies (The Australian National University, Canberra, 1990) p.2.
42 A Pacific Engaged - Australia’s relations with Papua New Guinea and the island states of the south-west Pacific. (Foreign Affairs, Defence and Trade References Committee, August 2003), Ch.3 p.58.
its complex local land tenure systems . . . Subsistence self-sufficiency augmented by selective cash crops has been the mainstay of rural economies for decades and will remain central to livelihoods.43

Resource exploitation may bring conflicts regarding land into sharpest focus. Mining has a particularly fraught history; with logging, it brings together environmental and resource security concerns – both major sources of division within communities. Pointing to Ok Tedi (PNG), Panguna (Bougainville), and Freeport (West Papua), Nic Maclellan argues that methods of natural resource extraction 'can devastate ecosystems and destroy indigenous cultures and livelihoods.' In response, landowners fight back, leading to governments relying 'on police and military forces to control these enclave resource developments, sparking a cycle of repression, conflict and further militarization.'44

V. The Region

'Bad neighbourhoods' – regions where embedded violence can spill out or generate conflict in neighbouring states – are one of the factors associated with patterns of conflict becoming regionally entrenched and widespread. Reference to Melanesia as forming part of an 'arc of instability' could suggest that the region falls into that category. Weakness in the formal economic sector, crises of governance, inter-communal conflict and severe law and order problems in some areas, even government failure and what appears to be a persistent leadership crisis as in the Solomons, are serious problems in themselves, but have not come together as transnational conflict formations.

Nevertheless, there are common problems, and the capacities of Island states to deal independently with some of these problems are limited. Finding ways to deepen collaboration and build on each other's social, cultural, economic and technical resources to mount regional responses to shared economic, political and security challenges makes sense in Oceania. While efforts to strengthen collaboration have been gathering pace, they face some thorny questions, outlined below.

The complexities of collaboration demand innovation, experimentation, and vision, but also patience, consultation and long term commitment to cooperative approaches. For reasons of culture and because of the emergent nature of Island states, regional cooperation in Oceania requires collaborative initiatives at the level of communities and civil society as well as states, while Pacific Island societies at all levels value consultation and consensus. External agencies supporting regional cooperation among the Pacific Islands need to assist extensive consultation processes involving communities as well as governments, while encouraging continuing forward momentum. The disjunction between local structures of authority and the liberal democratic government is an underlying but shared problem across the region. There could be value in increasing cross-regional engagement and sharing of experiences concerning this shared challenge.

Closer economic cooperation must work with complex questions of how to approach the subsistence economy and customary land tenure arrangements, discussed earlier. Efforts at the intergovernmental level to improve leadership and financial and political governance depend on agreement and backing from some of the governments that are themselves stymied by leadership and structural problems. Some of the

more 'technical' forms of cooperation (involving airlines for example) touch sensitivities around sovereignty – a matter just as delicate in the Pacific as in other regions.

The emerging nature of states in the region also poses challenges for intergovernmental cooperation. Many forms of significant collaboration need to be grounded in Pacific societies to progress yet governments are themselves not always so grounded. The Pacific Island Forum (PIF) as the leading intergovernmental forum, has the task of reaching beyond this gulf to communicate and shape collaboration in ways that make sense both to Pacific communities and governments. Moreover, the Forum includes New Zealand and Australia. There is an inevitable danger that economic collaboration in particular will move at the pace and conform too closely to the interests of its most powerful members, which as developed economies and majority settler (rather than indigenous) states naturally have interests and identifications which are profoundly different than their smaller neighbours. The PIF faces the challenge of steering between this danger and its opposite: that suspicion of Australia and New Zealand among Island governments will freeze moves towards closer forms of collaboration and mutual support.

The Pacific Plan

At an intergovernmental level, the PIF has identified globalization, with its impact on island economies, and the international security environment as challenges that the Pacific Island countries could best face collaboratively. To stimulate and guide further collaboration, a Pacific Plan has been drawn up – a ‘living document’ that sets out a ten year working path to build on the region’s interconnectedness. The Plan is a measured approach to find ways for member countries to work ‘together for their joint and individual benefit’ and there is interest in learning from the experiences of other regions. Four foci have been identified: economic growth, sustainable development, good governance and regional security.

The Plan seeks greater economic cooperation and common or more coordinated policies, services and information systems across a broad scope of activities. There are concerns, however, that some of the more neo-liberal economic measures discussed in the broader context of closer regional cooperation and in the lead-up to the Plan would themselves intensify hardship and feed into conflict. Measures discussed include privatizing basic service delivery, for example, in areas where few have the ability to pay. The Australian Council for International Development, commenting on the draft Plan, expressed concerns with economic and development models based on large-scale natural resource or land based developments ‘because of their historic relationship to conflict and corruption throughout the Pacific. . . Exploration of the relative appropriateness of smaller-scale and more diverse economic opportunities should be a priority.’

The Plan also addresses regional security. The evolution of a regional approach to security is indicated by a number of joint declarations over the past decade and a half. There has also been a history of quite effective regional action in response to security crises: PNG responded to Vanuatu during a crisis shortly after independence; joint monitoring
groups (staffed by New Zealand, Australia, Fiji, and Vanuatu but led first by New Zealand and later by Australia) contributed significantly to the achievement of peace agreements on Bougainville; and the Regional Assistance Mission to the Solomon Islands (RAMSI) has been restoring order in the Solomon Islands.  

Importantly, for the first time, RAMSI was deployed under the authority of a regional security agreement (the Biketawa Declaration) and with the explicit backing of the PIF. While earlier contingents were drawn from Forum members, the PIF as a body was not involved in responding to the Bougainville or earlier crises. (There has also been some criticism of the PIF for its silence on West Papua.) The Forum’s role is as yet far from providing the leading mechanism for coordinated regional responses to crises. Nevertheless, the organization has begun working towards ‘common security standards, policies and values’ from which such mechanisms may emerge and monitoring sources and triggers of conflict across the region. Greater integration of the Forum’s work on sustainable development and security could strengthen conflict prevention. The Forum has been working to improve its shared policing of money laundering and the movement of small arms, and developing more common policing standards and training.

Addressing governance, the Pacific Plan has given priority to supporting justice systems across the region, region-wide leadership codes and standards of accountability, and institutions (ombudsmen, attorneys general, auditing boards, and training schemes) to embed these principles. Civil society organizations have also been actively supporting regional links in this area with human rights one focus of concern. Fiji is so far the only state with a formal human rights commission (the result of the history of inter-communal tensions). However, a range of NGOs are active in the promotion of human rights, women’s rights, active citizenship, reconciliation and peacebuilding.

Australia and RAMSI

Following decolonization, Australian foreign policy was guided by a combination of significant bilateral aid and a careful effort at non-interference. The Australian government was sensitive to charges of neo-colonialism, and its policy was to provide aid – in the case of PNG, one of the largest bilateral aid programs in the world – but to support ‘local solutions’. The region has been close to the heart of Australia’s aid program. However, New Zealand, which is home to a sizeable Pacific Island population, in addition to its own indigenous Maori, has been more intimately involved with Pacific life. Inevitably perhaps, given its relative size, Australian actions often carried disproportionate effects in the region. In sweeping terms, Australia’s footprint has outweighed its popular knowledge of and responsiveness towards the region. This is particularly the case from around the early 1980s, following the end of the formal decolonization era.

Midway through 2003, however, key elements of Australian foreign policy towards the Pacific Island Region underwent a marked policy shift towards a more hands-on engagement with the region and significantly greater expenditure. Triggered by conflict.

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49 Activating another dimension of regional cooperation, the Melanesian Spearhead Group (which includes PNG, the Solomon Islands, Vanuatu, and Fiji) has also lent support to the Solomon Islands following political and security turmoil in early 2006.


51 This is a generalization. During the 1980s, which was also a turbulent time for parts of the Pacific, Australian policy was open to intervention upon the request of the relevant government. As Sinclair Dinnen has pointed out, Australia’s more recent involvement in East Timor and elsewhere also contributed to the government’s willingness to intervene in the Solomon Islands (upon the request of the Solomon Islands Government). (Sinclair Dinnen, “Lending a Fist”, 2004, p5.)
in the Solomon Islands and concerns about PNG, the Australian development agency AusAID stated, ‘Australia has sharpened its focus on the region . . . in the context of global security, increasing trans-boundary challenges and the understanding that a porous and undeveloped region is not in the interests of the Pacific or Australia.’ The new orientation seeks to bring together development assistance, security assistance, and institutional reform in a ‘whole of government’ approach to the region. The fundamental challenge of this approach, however, is to keep the forms of insecurity experienced by Pacific states at the core of the Australian response, and then to build on regional strengths in combating these sources of insecurity. This is the most effective way to actually counter security problems and so to meet Australian and regional interests.

The policy shift was marked by an Australian government decision to deploy the Australian led Regional Assistance Mission to the Solomon Islands (RAMSI) in response to the deepening crisis in the Solomon Islands; in the Australian proposal to expand assistance to policing, law and justice, border management, economic management and public sector management in Papua New Guinea (the Enhanced Cooperation Program); and by a more assertive position on questions of governance and corruption. The Australian government is prepared for RAMSI to be a long-term commitment, if it is desired by the Solomon Islands government; as such it is a significant effort at sustained engagement that recognises the long-term nature of post-conflict statebuilding.

The genuine difficulty facing RAMSI, however, is to establish engagement and partnership, while avoiding new, subtle forms of ‘colonization’. There have been local criticisms that RAMSI is distant from the social and cultural realities of the population, which can work against partnership. Clive Moore comments that the ‘conflict resolution, human security and development initiatives that have emerged so far are not sufficiently radical to redress the current instability of the Solomon Islands central government.’ The central issues of reform, he argues, are the gulf between communities and government, and between indigenous systems of power and authority and modern liberal democratic governance structures. These questions are not the work of a regional assistance mission – fundamentally, responses must be nutted through by Solomon Islanders. For Australia, however (or for other international interlocutors), it is important that this does not mean a form of disengagement. While the shape of political community within the Solomons can only emerge from Solomon Islanders, the challenges they face are ones which in various ways are shared with others, and which deeply engage the broader region, including Australia and New Zealand. Understanding and support over the long term in working with these fundamental and difficult questions of the emerging structure of political and economic community is the challenge of partnership.

China and Taiwan

China and Taiwan are increasingly active in the region as donors and investors, but they are also in intense competition with each other for diplomatic recognition. This competition has included very significant cash inducements to local politicians, provided most notably by Taiwan, a practice which has proved destabilizing and corrosive to efforts to improve institutional and political integrity. The duel between the two has reached deep into some states.

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54 As of May 2006 PNG, Fiji, Vanuatu, Samoa, Tonga, FSM, and the Cook Islands recognize PRC, while the Solomon Islands, Tuvalu, Kiribati, Palau, Nauru and the Marshall Islands recognize Taiwan.
and regional agencies, with (for example) change in recognition sparking a change of government in Vanuatuan 2004, the suspicion of political campaigns being funded by Taiwan in Kiribati and the Solomon Islands, and the South Pacific Tourism Office the site of debilitating ongoing conflict. The burning of Chinatown in the Solomon Islands in April 2006 (following the election of a candidate popularly believed to have bought his way into office using funds from Taiwan), though resulting from a complex mix of factors, is a warning of the additional volatility this struggle injects into the region.

VI. Conclusions: The Pacific Island Region – Conflict and Resilience

Pacific Island states face serious challenges and dilemmas, as a series of crises in the region indicate. This study suggests, however, that discussions of crises and problems in the region need to be framed by three fundamental points.

Social resilience

The first point, noted by all contributors to the study, is that the region is characterized by high levels of social resilience, grounded largely in community life. Resilience and its sources are too often overlooked; yet if the focus is only on problems, there is a danger of overlooking potential sources of creative response or capacities for endurance. When situations are misread in this way, the responses devised may be cut off and unable to draw from local strengths and capacities. Worse, there is a danger that the responses will compound the original problems by further undermining the strengths of local societies – producing economic development projects that significantly erode social cohesiveness, for example, or strengthening governance that fails to engage with local political aspirations and values, or security responses that repeatedly fail to confront the causes of instability.

Acknowledging and valuing the region’s social resilience and cohesiveness is a vital place to start a discussion of security and development in the Pacific. Security in the Pacific has been the focus of growing concern over the past several years. If we are serious about avoiding protracted violent conflict, understanding, not damaging, and where possible encouraging sources of resilience is an essential step. Grasping the real strengths of the region enables us to work with those strengths and not against them. For development agencies outside the region, recognizing strengths within it can also enrich relationships with Pacific Island partners, enabling stronger partnerships and mutual respect as a creative basis for good development.

Emerging states, not failing states

The second point for framing discussion of the Pacific is the emerging nature of states in the region. While the peoples of the region have long, deeply rooted traditions, their states as such are young. Across the region a long, often difficult, but fundamentally creative process is underway as governments and communities grapple with the challenges of forging states that are grounded in Pacific Island societies. Many of the problems of the region reflect this transitional reality of Pacific Island states – they are not failing states but emerging states. Moreover, they are emerging states not only facing serious dilemmas but also drawing on great strengths. This point is essential for understanding security and development in the region. It has significant implications for efforts to support statebuilding and governance.

Strengthening the state through supporting the development of accountable, democratic and stable government has been identified by agencies and commentators inside and beyond Oceania (as the Pacific Island region is also known) as a fundamental response to the difficulties which beset the region. However valuable such an approach, statebuilding in
the region has to an overwhelming extent been identified with bolstering central government institutions. While this is indeed important work, the ‘state’ is not reducible to central institutions; strengthening governance involves more than the transfer and support of such institutions. Political institutions are embedded in social relations, of which civil society is a significant part. Moreover, the quality of political institutions and of national political life is interdependent with the quality of citizenship.

A key element of the weakness of state institutions and processes in much of the Pacific has been the lack of appropriate pressures for accountability, pressures that are significantly generated by citizens and civil society. Yet citizenship, which develops gradually, has arguably received much less support in the region than government institutions – perhaps because supporting citizenship seems a more diffuse objective. Support for greater connection between government and communities, and for the emergence of a broader understanding of national citizenship, is fundamental to a working democracy. The growth of citizenship and of the social relations within which government is held accountable takes time and effort.

States disconnected from societies

The final framing point, closely related to the first two, is that there is often a significant disconnect between the institutions of the state and the life and values of Island communities. State institutions often lack roots in the patterns of legitimacy that have weight on the ground in Pacific communities. Formal political, justice, policing and administrative systems often do not fit easily with customary or local governance and justice mechanisms and cultural norms. At times they interact destructively, becoming the context, the source, or a significant contributing factor of many of the problems which beset regional states.

At the same time, there is tension between subsis-
tence food production and the patterns of land tenure that go with that, and the dynamics of international markets and commercial life. As with the lack of fit between introduced and indigenous political and social governance, so tension between indigenous and international economic dynamics can be an underlying factor encouraging insecurity and conflict.

These tensions are inherent to the emergence of state structures under contemporary conditions. They need to be recognized as such, and consciously engaged in policy making and development planning. This is quite different, however, from saying that ‘traditional’ and ‘modern’ political and economic structures are in opposition to each other, and that one must therefore give way. Where local structures have not been overlooked, there has been a tendency to see their strength as standing in opposition both to a grasp of national citizenship and also to the effective operation of parliaments and state bureaucracy. While there is a gulf and often tension between the local and the national, and between society and the state, in much of the Pacific Island region, there is not necessarily an opposition. On the contrary, community life in the region could be seen as a resource. Customary political, social and economic life is alive and evolving; forms of the state are also undergoing change. Despite their lack of fit, they are already interwoven in practice. Assisting the development of constructive relationships between communities and governments and between customary and introduced political, social and economic dynamics is a way of drawing on the strengths of Pacific Island states to contribute to political and economic stability and vitality.

‘Bottom up’ statebuilding

Recognizing the significance, endurance, and vitality of community and customary life in the Pacific Island region is not backward looking, nostalgic, or romantic. On the contrary, it is a way of moving forward, by drawing on the resilience of Pacific societies in order
to help work with the dilemmas and problems that are part of being an emerging state. This has both socio-political and economic significance. Supporting communities and encouraging constructive interaction between indigenous mechanisms and formal political systems is a way of grounding state institutions and processes within their own societies and of pursuing statebuilding and governance ‘from the bottom up’. Statebuilding that takes account of and supports the constructive potential of local community, including customary mechanisms where relevant, may be a necessary complement to strengthening central state functions.

Citizenship formation could be more actively supported, including exploring the role of community governance as a context for the formation of citizenship. Citizenship, and a broader sense of community, can be sought through engagement with, not rejection of, community life at the local level. Supporting broad community engagement in the search for constructive relations between government and civil society, faith based and customary groupings is also a mechanism for the growth of a sense of national community and citizenship. Support for public education that fosters the community awareness and skills that underpin citizenship, that respects and engages actively with cultural norms and that assists cross-cultural and cross-ethnic respect in the many multi-cultural and multi-ethnic societies in the region could also be a powerful tool in the region’s movement towards fully mature governments, well-rooted in their own societies.

Ongoing social, political, legal, and constitutional adjustment and experimentation are necessary to bring greater clarity, state by state, to the relationship between customary law and introduced law; between customary legitimacy and the authority of the law and government; between local and provincial or central government; between parliamentary obligation and custom obligation; and between communal land ownership and commercial land use or ownership. All such processes of adjustment tend to generate conflict, especially if they confront established sources of power, either customary or political elite. The challenge is to forestall violent conflict.

Working at the community level to marry informal and commercial economies is also a way of supporting a diversification of economic enterprise. Over eighty per cent of the population of Oceania lives in rural areas undertaking largely subsistence food production. Economic development efforts need to be more significantly located there than is presently the case. Large resource developments could be at least complemented by many smaller enterprises compatible with and managed by local rural communities, that support community structures and provide greater economic and employment alternatives within them. This would have economic and social benefits, but can also be understood as a form of conflict prevention. Viable community based enterprises can be understood and assisted not only as an important form of poverty alleviation, but also as a way of encouraging a positive interface between the formal and informal economies and helping to manage the tension of economic change.

Land is a particularly sensitive issue in this context; it is a key to food and social security for most Pacific Islanders; it provides a basis for identity, and it is a source of social cohesion and resilience. It is thus a basic element of human security for the region. If we take security seriously, and as close to the heart of development, then the potential for protracted violence in any efforts to push through radical or unwanted changes in the land tenure systems needs to be taken very seriously indeed. Many of the conflicts discussed in the study involved land. Tending to over-ride local systems of accountability and norms of appropriate behaviour, efforts to reconstruct Pacific Island societies to adapt to external development and economic models in order to increase gross domestic product can be highly conflict prone. They
need to be assessed from this vantage point. An alternative may be to support Pacific Islanders in the admittedly challenging task of pursuing commercial enterprises that are compatible with local land tenure systems – systems that are themselves evolving.

The nature of states and of state institutions is changing in complex ways in various regions. Developments in the Pacific Island region are part of this process, and may offer particularly valuable insights for other regions. Alan Patience, Professor of Politics at the University of PNG sums this up well:

*If contemporary statist thinking is not approached more creatively – i.e., if modern state structures themselves are not radically interrogated in relation to the conditions and needs of PNG and its peoples – no form of sustainable state-making can occur in PNG (or for that matter, anywhere else in the South Pacific).*

How would external actors approach the region if we really started to look at the Pacific as a place of innovative adaptation of international democratic and bureaucratic traditions – a place with clever people working on difficult problems (to borrow a comment by Anthony Regan)– rather than as failed or failing states?

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The Security-Development Nexus Program Policy Papers and Conference Reports


“Remittances in Conflict and Crisis,” Patricia Weiss Fagen with Micah Bump, Policy Paper, January 2006


“Rule of Law Programs in Peace Operations,” Agnès Hurwitz and Kaysie Studdard, Conference Report, August 2005


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“Community-Based Policing: Philosophy and Implementation Guidelines,” Gordon Peake and Hesta Groenewald, September 2004


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