

An Overview of Issues on Security, Growth and Development in Pacific Island Countries

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Introduction

Warm Pacific Greetings!

A confluence of external and internal forces are creating rather inclement conditions for island peoples and states of the Pacific. The promotion and maintenance of their well being face numerous challenges in the contemporary era of globalisation. Doomsday scenarios range from rising sea levels drowning atoll states to overpopulation and open violent conflicts in ethnically diverse Melanesia. Security, Growth and Development in Pacific island countries (PICs) are clearly topical and pertinent issues. The paper will make the point that security, growth and development are closely inter-connected, and that more secure and stable PICs as well as other small island states elsewhere in the world have tended to have greater economic growth and improved standards of living than those that have not been stable. However, it is also argued that initiatives directed at generating economic growth and the outcomes of growth can themselves trigger insecurity and open conflict. These affect the prospects of development and future growth. It is noteworthy too, that paradigm shifts have occurred in concepts and approaches to policy on security, growth and development. The state-centric approach to security and economic development has given way to human security framework and private sector led or market centred growth. Development is approached more holistically with environmental and social sustainability being regarded as integral to the process. Supra- nation state networking and collaboration through regionalism and regional integration is regarded as pivotal in the mix of strategies to meet contemporary challenges.

PICs and their Prospects

The countries of the Pacific are spread over 30 million square kilometers of ocean. Their exclusive economic zones (EEZs) encompass over 20 million square kilometers of water but their combined land area is around 530,000 square kilometers only. With an aggregate population of approximately 9 million, this region is the smallest in terms of people. Behind this broad picture lies considerable diversity of size, resources, culture, economy, polity and social development. Papua New Guinea's land area accounts for some 90 percent of the land in the Pacific and its population of nearly 6 million is the

largest. In contrast Tuvalu has barely 30 square kilometers of land and 10,000 people. It is a region characterized by ecosystems that are fragile and vulnerable with atoll environments being the most fragile.

The well known Samoan economist, Te'o Fairbairn amongst others noted the enormous differences in land area and population; the isolation and scatter of islands in vast areas of ocean and the cultural diversity of islanders. He divided PICs into four categories according to their resource endowment which he felt determined "capacity for long term sustainable growth". In the first category were the larger countries of Papua New Guinea, Fiji, Solomon Islands, New Caledonia and Vanuatu which together accounted for 84% of the region's population, had extensive agricultural land and controlled large Exclusive Economic Zones (EEZs). Because of their natural resource endowment they had relatively diversified and growing economies with agriculture, forestry, fisheries, tourism and minerals (1994, 11).

In the second category were Samoa and Tonga, middle level countries with "a modest resource base, limited land for agriculture, no exploitable minerals, a limited tourism potential, and in the case of Western Samoa, a small EEZ." He felt that in these countries the prospects for economic diversification and growth were "somewhat circumscribed" (Ibid).

The Cook Islands, Kiribati, Tuvalu and Niue fell in his third category as PICs with "severe poverty of land-based resources and lack of capacity to exploit their comparatively large EEZs" (Ibid, 12). In these countries subsistence agriculture prevailed with the scope for diversification was extremely limited.

Fairbairn's fourth category of PICs comprised countries "whose 'special' advantages compensate for poor economic prospects" (Ibid). Nauru, Palau, Guam, the Commonwealth of the Northern Marianas and American Samoa. Presumably the later day Federated States of Micronesia and the Republic of the Marshall Islands would fall into this category. The special advantages of these countries were phosphate in the case of Nauru and for the rest, their historical and strategic ties with the United States which engender large financial grants. In addition the fish processing centre in American Samoa was facilitated by its "favourable location and good harbour" (Ibid). He recognized that both American and French associated territories enjoyed much higher standards of living compared to independent PICs (Ibid).

In the early to mid-1990s the larger countries of the region showed much better economic growth compared to the smaller countries. "Thus, the real GDP has grown by an average of nine per cent per annum in Papua New Guinea (1991-92); five per cent per annum for Fiji (1988-91); and seven per cent per annum for Solomon Islands (1988-90) which, in each case, would have resulted in a fairly healthy increase in levels of per capita income" (Ibid, 19). Mineral booms in PNG and the surge in garment manufacturing in Fiji contributed to growth and in the case of the Solomon Islands, the economy as a whole had done well. By contrast all the smaller PICs had performed poorly. "Real GDP increased by an average of 0.4 per cent per annum in Tonga (1988-92); one per cent per

annum for Kiribati; and a negative 0.23 percent per annum for Western Samoa" (Ibid). Weak commodity prices and the cyclone in Samoa contributed to low growth and a decline in per capita income.

Fairbairn recognized that with the rapid expansion of tourism in the Cook Islands accompanied with public sector reforms, there was a likelihood of improved growth rates. Likewise in a number of other PICs the structural adjustment programmes underway in the early 1990s guided by the World Bank and International Monetary Fund were expected to deliver higher growth rates. "Among some of the leading policy measures that have been adopted are agricultural revitalization programmes, taxation reforms, labour market deregulation, trade liberalization measures, public sector reforms and more powerful incentives for stimulating investments. Emphasis has also been given to encouraging greater private sector involvement in the economy and to promoting export-oriented structures" (Ibid, 20). He also noted that macroeconomic stability –characterised by fiscal restraint and prudent monetary policies- was being recognized as a precondition for sustainable growth.

Over the nearly decade and half since this typology of PICs by Fairbairn, PICs' experience of development has shown that a complex of factors beyond their isolation, smallness of domestic market, narrow resource and export base, remittances and aid flows have contributed to quite different trajectories of development. Besides sound economic management and the adoption of appropriate policies, a pivotal factor in economic and social development has been the political environment (Naidu, 2005; Chand, 2006; Houenipwela, 2007).

Political Status of PICs

There are 22 island states and territories in the Pacific. The diversity of countries and cultures is also seen in the political statuses of countries. These range from a continuation of direct colonialism involving various degrees of autonomy and extending to political autonomy in association (subordination) to a former colonial power to politically independent states.

There are 9 politically independent states which are members of the Pacific Islands Forum (PIF). These are Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Without the enormous subsidies of a metropolitan patron, these countries' living standards are generally well below that of colonial territories and dependencies. The struggle over economic, social and political resources make for more open political volatility. This far Samoa, Tuvalu and Kiribati have been politically stable and their citizens have enjoyed constitutional and 'democratic'¹ governments. These states are all relatively small and culturally homogenous comprising Polynesian-type centralized chief-led geographical polities. In Kiribati elders or unimane play a lead role in politics. Political contestation and divisions centre around regions,

¹ The notion of democracy is an 'ideal type' that varies enormously when applied to actual practice at the national and local levels. In all these countries there are significant variations in democratic practice compared to western countries.

islands, family connections, chiefly titles, religion (different Christian denominations) and to lesser extent public policies. Personalities and political coalitions are also important but the latter tend to be more stable than in Melanesia. Gender issues and the role of women in politics do not feature much in the political arena. Though women do enjoy higher status in Polynesia they are nevertheless relatively absent in decision making fora.

The political situation in the other 6 independent states has been unstable. In Papua New Guinea, Solomon Islands and Vanuatu the concept of nation-hood is still its infancy. Local level identities (ethnic, tribal and religious) and relationships are of considerable significance. Ideas relating to ideological principles, political party loyalty, transparent and accountable management of public resources for the wider 'national' good are of little import. Since independence political instability has been common place at the national level with political coalitions around personalities continuously in flux. Elected governments have been replaced through no-confidence votes as new deals superceded those made previously. PNG's government up to the last general election is the only one that has ruled for its full 5 year term. This has been an outcome of legislative change that inhibits politicians from crossing the floor during parliamentary debates.

Although PNG has not experienced a coup, its security forces have contributed to political instability in the recent past as has Vanuatu's police. In the Solomon Islands, the police force was compromised when it sided with Malaita Eagle Force militia in their fight against Isatabu Freedom Movement gangs. In 2000, the former group also overthrew the democratically elected government. It is estimated that 200 people died during the unrest and 35,000 people, mostly Malaitans were displaced (Christian Care Centre of the Church of Melanesia, 2004). Civil unrest, violence and lawless continued inspite of several attempts at resolving the conflict. In 2003, Australian led Regional Assistance Mission to the Solomon Islands (RAMSI) began its efforts to return the Solomon Islands to the rule of law and constitutional government. Many challenges remain for RAMSI and for Solomon Islanders as they move forward. A major set back took place in April last year when China Town in the heart of Honiara was burnt down by angry mobs upset at the selection of Snyder Rini as Prime Minister. The second tier election process of the Prime Minister made the process opaque and there were allegations relating to a Chinese businessmen influencing the outcome.

Solomon Islands in the late 1990s to mid-2003 experienced the symptoms of state failures in several fronts. Law and order and the provision of services was severely compromised as the state became financially insolvent because of corruption, mismanagement and incompetence. Joining the Solomon Islands as a failing state, is Nauru. Previously, the richest country in the region with amongst the highest income per capita in the world, it became bankrupt because of gross mismanagement and abuse of power. Currently, the state in Nauru is propped up by Australian personnel and funding

support. It has been part of Australia's 'Pacific Solution' with regard to asylum seekers and refugees².

Fiji is in the midst of the aftermath of its 4th military coup in 20 years. Unlike the previous overthrow of 'democratically' elected governments, the December, 2006 coup is not designed to placate and promote narrow indigenous Fijian nationalism but has been justified as a 'clean up campaign'. It is alleged by the military that Lasenia Qarase's multiparty government was seeped in corruption. The Soqosoqo Duavata ni Lewenivanua (SDL) Party had received more than 85% of indigenous Fijian votes presumably in support of its ethno-nationalist policies³. The current 'Interim Administration' comprises Fiji Labour Party and National Alliance Party politicians, a lone SDL politician and the military leader himself as Prime Minister⁴. There appears to be some support from minorities for the regime on account of its more multiethnic stance and the apparent reduction in violent crime. Opposition to the regime is regularly and openly expressed in the print media's open column.

It is evident that a majority of indigenous Fijian chiefs, the Methodist Church clergy and their allies in the Assembly of Christian Churches as well as a number of Human Rights NGOs are strongly opposed to the military-backed government. Other NGOs working in the social justice area and the Catholic Church as well as most non-Christian religious groups have shown a willingness to cooperate with the regime to take the country forward. This is particularly in regard to the proposal for a 'National Council for Building a Better Fiji' and the 'Peoples' Charter'.

Pressure from Australia and New Zealand and Pacific Islands Forum, the US and EU for early return to democratically elected government has resulted in the regime agreeing to holding general election in the first quarter of 2009. However, the Interim Prime Minister has also indicated that elections will be held when all the objectives of the 'clean up campaign' have been met. It is likely that the return to elected government under the current electoral system would not solve the fundamental problems that Fiji faces. The country will still be some distance away from ending the 'coup culture' that has afflicted it.

Fiji's immediate neighbour, Tonga also known as the 'Friendly Islands', became distinctly unfriendly as Nukua'lofa, its capital experienced unprecedented riot and arson in mid-November 2006. For more than a century, the Pacific's only kingdom had epitomized conservatism and political stability until two years ago. Following scandals such as the sale of Tongan passports, the theft by the King's American court jester and

² 90 such persons in the Australian detention camp in Nauru are likely to be relocated following the change of government in Australia.

³ These policies were racist (justified as affirmative action) as they systematically discriminated Fiji citizens of other ethnicities, especially, Indo-Fijians.

⁴ The National Alliance Party did not win a single seat in the 2006 general election and the Fiji Labour Party was defeated, although it claimed that the elections had numerous faults and that vote rigging had taken place.

financial adviser of several million dollars and the evidence of rapacious business dealings by members of the royal household, the demands of the long standing pro-democracy movement for political reforms increased. Civil servants went on strike over their low pay and the strike was unduly prolonged as a consequence of government's intransigence. Hostility to government continued even though by this stage a commoner had been appointed Prime Minister. When the latter failed to clearly indicate the government's acceptance of the recommendations of an independent commission on political reform, peaceful protest was subsumed by horrific violence. "The riots were estimated to have caused losses to businesses in Tonga of more than US\$60 m., with 153 businesses affected, 700 job losses and incalculable damage to Tonga's international reputation" (Firth, 2007). Australia and New Zealand sent more than 100 troops and 35 police to quell the rioting. Over the last few months, stability has returned to Tonga but the underlying issues of political reform and accountability in government remain unresolved.

The lack of political stability and issues of security have had detrimental impact on economic prospects of all these countries, the consequent low and even negative economic growth has undermined the legitimacy of the state and social development. These in turn create conditions for further instability. These trends have been exacerbated by unscrupulous businessmen, unsustainable natural resource exploitation, transnational crimes such as drug and people smuggling, small arms trade and the push towards reforms.

Security

The security environment in the world has dramatically changed since the horror and tragedy of '9/11' and the subsequent United States-led war in Iraq and Afghanistan. The emergence of Al Qaida and fundamentalist Islamic militancy has escalated concerns relating to security against terrorist attacks. The lopsided conflicts in Palestine and US support for Israel have created a global environment of fear –most clearly manifested in the security checks at international airports. In the wider Pacific region, the on-going disputes and tensions in the Korean peninsular and the strained relations between China on the hand, and Japan and Taiwan on the other, threaten the existing relatively peaceful situation. However, in the South Pacific, threats of terrorist attacks and inter-state conflicts are not the primary concern, instead internal dynamics of rapidly changing Pacific island societies (in response to globalization) and rising sea level as a result of global warming constitute the major challenges.

Security Threats in PICs

The Pacific Island Forum Secretary General has provided a reasonably comprehensive list of threats facing PICs:

“Forum Island Countries are faced with a wide variety of security threats. These range from natural disasters, environmental degradation, climate change and rising seas to food shortages and, in broad terms, the challenges of globalization. Economic reform strategies which involve, for example, downsizing the public sector and privatization will, if not properly sequenced, managed and implemented, have social impacts—unemployment and increasing urban poverty for example—that can become a source of security threats. Many people die from and are threatened by poverty, hunger and disease, and natural and environmental disasters than they are by wars or terrorism in this region” (Pacific Plan The Way Forward).

Thus issues of security centre around natural environment factors and human interaction with the environment, global economic trends and national economic policies and internal political processes and the extent to which interests of the people as a whole are reflected in national level decision-making. Of particular importance in the latter context is the extent to which the benefits of development is widely shared.

Brindley (2004) discusses a composite vulnerability index that takes account of a country’s openness (export dependence), lack of economic diversification and its susceptibility to natural disasters to measure vulnerability. His composite vulnerability index places Pacific Island Countries (PICS) and other small island states amongst the top 30 of the most vulnerable countries out of 111 countries. “Vanuatu is ranked the most vulnerable of any of the 111 states; Tonga comes in 3rd, Fiji 8th, the Solomon Islands 11th, Samoa 20th, Papua New Guinea 30th, and Kiribati 59th” (Brindley, 2004, p.23).

As if economic vulnerability and natural hazards are not enough to deal with, ‘man made’ disasters abound. These include lack of accountability by state power holders, serious shortcomings in the rule of law, public finance mismanagement, outright corruption and military intervention in political processes. In a number of the largest countries, security forces have become the primary sources of insecurity.⁵ Poor leadership and lack of vision and appropriate public policies together with the processes of peripheral capitalism have led to growing social inequality and poverty. In the larger island countries significant numbers of children do not attend schools as these are not accessible or affordable. The lack of opportunities for gainful employment and amenities for recreational activities have spawned counter cultures of delinquency, crime and drug abuse amongst unemployed young men and women.⁶ Child sexual abuse and commercial sexual abuse of children, sexually transmitted diseases and HIV/Aids are becoming widespread. Life style non-communicative diseases such as coronary conditions and diabetes have become well entrenched. Idle young men have provided the foot soldiers for unscrupulous leaders in Fiji, Papua New Guinea, the Solomon Islands, Tonga and Vanuatu. Domestic violence and violence against women and children is widespread. In Papua New Guinea,

⁵ The ethnically exclusive Fijian military has engaged in four military coups undermining democratic electoral outcomes; the Solomon Island police was involved in the 2000 coup which overthrew Prime Minister Bart Ulufa’alu’s government; the Papua New Guinea and Vanuatu security forces have mutinied periodically.

⁶ Region wide there is only one job for every seven persons looking for employment (Pacific Regional Strategy Paper 2002-2007, p.22).

Bougainville and the Solomon Islands weapons including guns have escalated local conflicts, aggravated injuries and mortalities.

These natural, socio-cultural, economic and political problems and hazards comprise the security threats affect economic growth, human development and human security in PICs. To prevent these threats and mitigate their consequences the 'human security framework', an integrated approach based on partnership of civil society organisations, the state, and regional and international institutions is intended to provide a comprehensive safeguard that seeks to empower people .

Human security means protecting vital freedoms. It means protecting people from critical and pervasive threats and situations, building on their strengths and aspirations. It also means creating systems that give people the building blocks of survival, dignity and livelihood. Human security connects different types of freedoms - freedom from want, freedom from fear and freedom to take action on one's own behalf. To do this, it offers two general strategies: protection and empowerment. Protection shields people from dangers. It requires concerted effort to develop norms, processes and institutions that systematically address insecurities. Empowerment enables people to develop their potential and become full participants in decision-making. Protection and empowerment are mutually reinforcing, and both are required in most situations (<http://www.humansecurity-chs.org/finalreport/Outlines/outline.html>)⁷.

The Pacific Plan (2005) accepts this broader notion of security as "the stable and safe social (or human) and political conditions necessary for , and reflective of, good governance and sustainable development..."

A number of regional security agreements also define security more broadly. The Aitutaki Declaration on regional security cooperation (1997) referred to the region's "vulnerability to natural disasters, environmental damage and unlawful challenges to national integrity and independence" and reaffirmed a commitment to a "...comprehensive, integrated and collaborative approach to maintaining and strengthening current mechanisms for cooperation among members in dealing with threats to the security, broadly defined, of states in the region and of the region as a whole".

Following the political instability and coups in Fiji and the Solomon Islands in 2000, Pacific Islands Forum leaders enunciated the Biketawa Declaration. This regional security agreement identifies a range of "difficult and sensitive issues including underlying causes of tensions and conflict" (ethnicity, socio-economic disparities, and lack of good governance, land disputes and erosion of cultural values). These issues impinge on human security at the local and national levels in virtually all PICs. It has been pointed out that none of the national security assessments conducted by the Pacific Islands Forum Secretariat in the period 2000-2004 considered external threats as

⁷ See also , UN Commission on Human Security, 2003, iv.

endangering Pacific states⁸ (Hassall, 2006). However, it is noteworthy that rising sea level as a consequence of global warming seriously threatens both livelihoods and survival of atoll states and all island communities living in coastal areas.

Towards a holistic Human Security Framework

The partnership of several actors at different levels in an integrated approach to address human security issues will involve engagement in a number of areas including:

Governance

Reconciliation and peacebuilding,

Law and Justice systems

Livelihoods and poverty

Land, Resources and the Environment

Education and awareness for reducing violence

Tackling misuse of arms

HIV/Aids and violence

Community responses to human security issues

Governance

The Biketawa Declaration committed Forum Islands governments to good governance defined as

“(i.) Commitment to good governance which is the exercise of authority (leadership) and interactions in a manner that is open, transparent, accountable, participatory, consultative and decisive but fair and equitable.

(ii.) Belief in the liberty of the individual under the law, in equal rights for all citizens regardless of gender, race, colour, creed or political belief and in the individual’s inalienable right to participate by means of free and democratic political process

⁸ The Nasonini Declaration on Regional Security (2002) reinforces the compact amongst Forum member countries to cooperate on law enforcement made in the Honiara Declaration (1992) and proceeds to highlight the need for national and regional efforts to introduce legislation and develop national strategies “to combat serious crime including money laundering, drug trafficking, terrorism and terrorist financing, people smuggling, and people trafficking in accordance with international requirements in these areas, taking into account work undertaken by other bodies including the UN and the Commonwealth Secretariat.” This declaration is largely ‘state-centric’

in framing the society in which he or she lives.

(iii.) Upholding democratic processes and institutions which reflect national and local circumstances, including the peaceful transfer of power, the rule of law and the independence of the judiciary, just and honest government.”

These guiding principles provide the bases for the formulation and implementation of public policies that are responsive to the needs of citizens and are equitable. Institutions that effectively provide public goods, promote rule of law and expand physical infrastructure in an open, accountable and inclusive way promote the environment for human development, respect for human rights and increase the capacity of all to actively pursue human security goals.

Reconciliation and peace-building

To some extent tension and conflicts are part of human existence and there are routine and established modes of channeling and resolving these stresses in societies. There are traditional and customary modes of resolving conflicts. In recent time, however, there have been overt and violent conflicts that have unraveled the social fabric of communities, caused loss of life and destruction of assets, destruction of livelihoods, and heightening distrust. The post-conflict situation that has emerged following the brokering of peace by third party mediation can easily be jeopardized without attendance to the root causes of the conflict, and building confidence and trust within and between individuals and groups involved.

Ending open hostilities in the conflict between groups is just the initial, albeit a significantly important step. This is followed by taking the long road to restore broken relationships and inter-group cooperation in achieving common goals. The former status quo may need to be significantly changed. The process of reconciliation requires active participation of CSOs, especially recognizing and supporting the role of women as peace makers. There are several steps in the reconciliation process: first, the preparedness of the parties involved in the conflict to accept their part in generating and aggravating the antagonism. Second, there must be a willingness to make reparations for the harm done to others. Third, being prepared to dialogue honestly on how to deal with the root causes of the conflict. Fourthly, being prepared to participate in peace building activities that bring together the former conflicting groups.

Law and justice systems

Legal and justice systems in the PICs are dualistic in so far as there is a continuation of indigenous institutions and modes of dispute settlement - the ‘customary system’-and the colonially inherited ‘western system’. Many rural and remote communities as well as urban informal settlements continue to use values, norms and processes that reflect the customary system. There is an emphasis on ‘restorative justice’ and rebuilding relationships between the aggrieved person’s family/community and those of the offender’s. The arrangements are better understood, less overbearing, more easily

accessible and are generally not overly expensive. Exception to this observation is the huge inflation in compensation payments required in the Southern Highlands Province of Papua New Guinea.

The more formal legal system based on adversarial prosecution seeking conviction and defendant's side seeking exoneration, is more retributive. The growing number of crimes (opportunistic, organized and transnational), increasing numbers in prison and the heightened sense of insecurity in urban areas, and indeed, some rural localities provide evidence that the existing system is not working very well. There are issues of whether the punishment fits the crime, especially for first offenders, the treatment of juvenile delinquents, the rehabilitation of prisoners, support for their families, support for the victims of crime, and recidivism.

Civil Society organizations have advocated law reform and have sought to sensitise legal practitioners including magistrates and judges on gender issues and modes of restorative justice. The resolution of certain types of crime such as rape in the customary system may not be adequate as a satisfactory remedy for the victim of this crime (see also NZ Law Commission, 2006, 95).

Society and culture

Pacific societies and cultures have evolved over several millennia adapting to the environmental conditions of islands and small face to face communities. In recent decades there has been significant social transformation but traditional values and institutions, albeit in modified forms have continued to exist. There are significant valued customary institutions which in several instances are recognized in PICs' constitutions. Customary ownership of land and its inalienability are entrenched in a number of constitutions as is the role of chiefs and persons of rank. The Biketawa Declaration recognizes "the importance of respecting and protecting indigenous rights and cultural values, traditions and customs." The Pacific Plan also seeks to protect and promote traditional cultural values and institutions...

There is a danger, however, that the wholesale acceptance of such rights, values, traditions and customs will have negative impacts on categories of the population including women, youth and children. They tend not to have much say in traditional decision making fora. Besides, there are likely to be serious violations of human rights if 'customary' sanctions against non-conforming members of society are enforced.

There is a need to ensure that languages of communities are taught to its younger members as this is most likely path to maintaining the integrity of Pacific island cultures.

Livelihoods and poverty

A fundamental challenge for PICs is to ensure meaningful livelihoods and employment of their people. Increasing social inequality has been accompanied by a growing number of people, especially young persons without jobs and access to other livelihoods. Rural –

urban disparities have grown triggering large scale urban drift. An Asian Development Bank study on poverty and hardship in our region confirmed what CSO representatives had been saying about the extent of poverty in PICs. Cook Islands had 12 percent of its people living below the poverty line, all the Melanesian countries had poverty level ranging from 30 to 40 percent and Kiribati and the Marshall Islands had some half their people in poverty. Gross social inequality and poverty manifest social exclusion which can be a significant factor in generating social unrest and political instability. The Biketawa Declaration acknowledges the

“ the importance and urgency of equitable economic, social and cultural development to satisfy the basic needs and aspirations of the peoples of the Forum.”

Youth unemployment and alienation is a major threat to human security that requires urgent attention.

There is a need to expand economic activities, increase food security, generate employment and ensure greater access to resources and opportunities. Economic, social and cultural changes have affected the cohesiveness of communities and the protection offered by traditional safety nets. Cultural norms of reciprocity and sharing with the wider kinship group are being replaced by values that are linked to urban living and the monetary economy. Young people especially need to have hope. There is a need to provide social protection to the very young and the elderly.

Land, resources and the environment

Natural resource use with due safeguards to conservation and management is at the heart of sustainable development. There is generally inefficient utilization of land for agriculture and other productive activity. Land has become a major source of competition, tension and conflict. Extractive industries such as logging, mining and fishing have seriously depleted forest cover and degraded natural environments and affected people's livelihoods. Short term gains that are rather miniscule have detracted community and national government leaders' attention from longer term sustainable development.

Education and awareness for reducing violence

In multi-ethnic and multi-lingual PICs, nation building remains a challenge. Parochial identities abound. Domestic violence, inter-personal violence, inter-group violence, structural violence, political violence and sports violence are found in PICs. Suicides are also uncommonly high in some countries of the region.

Education can be a significant avenue for pro-actively creating awareness for reducing all forms of violence. Changes to the curriculum with greater local content that deals with history, origins of different groups, their cultures, language studies, multiculturalism, explanations for migration and resource competition can help to increase understanding and tolerance. Zero tolerance of violence in schools, respect for the sanctity of the person,

and gender equality can help to begin the process of changing attitudes and behaviour in wider society.

Tackling misuse of arms

Fortunately for the region as a whole, the civilian population and police forces remain unarmed. Small arms including combat weapons such as assault rifles and machine guns, automatic pistols etc are limited to areas that have experienced open violent conflict. To these type of armoury have been added home-made weapons including guns.

Bougainville, Guadalcanal and Southern Highlands in Papua New Guinea have suffered significant casualties from the use of small arms. Recent participatory studies have shown the devastation caused by increases in the level of violence as the result of these weapons. Livelihoods and lives are lost. Communities are keen to see an end to gun violence (Retiere and Schurmann-Zeggel, 2002; UNOCHA and UNDP, 2006).

HIV/AIDS and violence

HIV/Aids has been increasing in PICs. With the experience of its impact on sub-Saharan African countries, it is indeed very worrying that incidents of HIV/Aids are increasing each year. Pacific cultures and gender systems may provide the matrix for both STIs and HIV/Aids. The Pacific Strategy on HIV/AIDS (2005) published by the Pacific Community provides comprehensive coverage of this scourge in the region. Risk factors such as having a large number of young people in the population, the high levels of STDs and teenage pregnancies, the relative lack of condom use and the tendency to have unprotected sex with multiple partners are evident. There are many challenges to individuals and communities that range from tackling ignorance about STDS and HIV/AIDS, monitoring infections, treatment of persons who have HIV and AIDS and the attitude of the wider community members to HIV/AIDS positive persons. Homophobia, moral judgement and fear emerging out of ignorance affect how infected persons are treated by communities. This is certainly a form of violence against them.

Sexual and reproductive health generally and HIV/Aids more specifically are receiving considerable attention by governments, non-government organizations as well as regional and international (UN agencies) bodies.

Community Responses to Human Security Issues

The paradigm shift reflected in the 'Human Security Framework' entails a partnership with, and the participation of civil society in both policy and practice to shield people from security threats as well as to empower them to protect and promote their freedom and well being. Community based groups and NGOs are seen to play a pivotal role in enlivening the partnership and ensuring that duty-bearers are held accountable.

A critical dimension in human security at all levels is people's livelihoods – gainful employment, self employment and other productive activities. Hence how national economies grow feature very highly in human security concerns.

Economic Growth

There is a wealth of recent literature on this subject, in particular the 2006 Forum Economic Ministers Meeting (FEMM) keynote paper by Satish Chand which highlighted key lessons learnt from the last decade, and Commonwealth of Australia's Pacific 2020 report, which identified challenges and opportunities for growth in the region.

These reports were unanimous in their conclusions and confirm that Pacific economies have, on average, underperformed over the last decade whilst at the same time, rates of population growth in the region have been far more rapid. Growth has also been highly volatile, reflecting a range of factors such as narrow economic bases, dependence on a few commodity exports being sold into often volatile international markets in which we are price-takers, the impact of natural disasters such as cyclones, loss of preferential market access, and poor governance and policy uncertainty. Narube (2006), notes two fundamental concerns that economic growth is both volatile and low in Fiji and across other Pacific island countries.

Since 1990, most of the Pacific island countries have had years in which they grew by more than 10 per cent and others in which they contracted by more than 4.5 per cent. On average, however, growth has been low. It is worth noting that during this same period, Asian economies including Singapore, Thailand and the Philippines were averaging growth rates of 5 percent annually. Mauritius, which is a country with similar characteristics to Pacific economies, was averaging a growth rate of 6 percent, reasons for the growth will be discussed later in the paper.

Moreover, Houenipwela (2007) notes that in the period 1990–2004 Melanesian countries had annual population growth rates in excess of 2.5 per cent, well above the average for developing countries. Population growth has also been high in much of Micronesia. It has been low, however, in Cook Islands, Niue, Samoa, Tonga, Fiji and Nauru. The combined result of low economic growth and high population growth has been very low or negative growth in income per capita.

Recent growth estimates for the Pacific region, including that presented in a 2007 FEMM paper, indicates a subdued picture with average growth estimated at 2.7 percent in 2006 compared to 3 percent in 2005⁹.

Moreover, given the link between growth and development, the UNDP's Human Development Index (HDI), attempts to measure of the quality of life, and has ranked the PICs quite low relative to other countries. A telling statistic is that the index ranks Fiji lower than both Tonga and Samoa.

⁹ 2007 FEMM Information paper, "Regional Economic Outlook".

Factors affecting PICs' growth

Some reasons for the low growth scenarios in PICs can be understood by examining the factors affecting economic growth in the region.

It is well accepted that Pacific economies are challenged by smallness, geographical dispersion, isolation from major world markets, vulnerability to man-made and natural disasters and scarce financial, human and technical resources (Chand (2006), Commonwealth of Australia (2006), Houenipwela, (2007), Narube, (2006)).

These characteristics, generally called "endowed handicaps", have been exacerbated by a number of "man-made roadblocks" including increasing globalisation, limited market access arrangements, technical capacity constraints, political instability, deteriorating security situations, poor macroeconomic management, slow and/ or intermittent public sector reform (Narube, 2006).

It is worth emphasising that whereas "handicaps" are fundamentally fixed, "roadblocks" can be alleviated through sound government policy. Mauritius, with similar characteristics as countries in the Pacific, provides a useful example in this regard, with a significant rise in per capita incomes over the past two decades. Sobhee (2006) notes that this performance has come about as a result of a number of factors including extensive investment in efficient telecommunications and infrastructural networks to reduce trade costs; consolidation of physical, human and social capital through extensive investment in health, education and technical capacity building; diversification within and across sectors to reduce against risks and uncertainties such as world economy shocks, climate variability and geopolitical threats.

Why Growth?

Mention has been made about large rates of population growth, the youth bulge, high rates of unemployment and significant increases over the last 20 years of the proportion of PICs people in poverty. Without economic growth, increased agricultural productivity and expansion in labour markets, the situation of many islanders will deteriorate seriously. This is likely to contribute to social and political instability which some island states are already experiencing.

According to Houenipwela (2007), a report on the Pacific regions progress towards achieving the Millennium Development Goals, highlights the fact that progress towards the goals varies significantly across the region. With generally slow progress (and in some cases a worsening of status) with regard to certain indicators demonstrates that greater efforts will need to be made if the Pacific is to achieve the MDGs (see also Wood and Naidu, 2008).

Bearing in mind the MDG of halving poverty, there is significant body of empirical evidence, including work of Ravallion and Chen (2004), which indicates that substantial reductions in poverty have been achieved in countries that have experienced sustained

and thus sustainable rates of growth of income for extended periods of time. Given the economic growth versus population growth rate scenarios poverty is on the rise in a number of PICs; reversing this necessitates increases in the rate of growth of income hence the focus on growth.

The Pacific 2020 report also notes that the region faces daunting challenges - ranging from high unemployment and joblessness to social or political instability, or serious crime. Daunting health or environmental challenges confront individual PICs. The report presents differing growth scenarios to the year 2020 and shows that, without accelerated and sustained economic growth, the region will not be able to confront the challenges of the future.

Narube (2006) suggests that lifting growth levels remains the single major challenge for PICs. More so, he emphasises that growth must be sustainable and inclusive driven by private sector investment, as this will lead to improved ability to pursue the Millennium Development Goals.

Hence there is an uphill challenge to achieve long term economic growth. Global warming is likely to have a disproportionate effect on atoll states such as Kiribati, the Marshall Islands and Tuvalu. It will have consequences for all island countries further reducing the ability of their people to literally keep their heads above water. They will suffer from salt water inundation with rising sea levels - the consequences of activities in the industrialised world.¹⁰

The unsustainable logging of natural forest cover, mining, fishing, commercial farming, coastal tourist resort building and urbanisation which have all contributed to environmental degradation-some with dire consequences that did not take long to emerge—are all aspects of globalisation. Disastrous floods have destroyed farms and houses and infrastructure in the Solomon Islands and in Fiji because trees in the water shed areas were indiscriminately logged. Tailings and related chemical contamination of rivers and estuarine areas contributed to the Bougainville conflict. Distance Water Fishing Nation (DWFN) long liners have seriously depleted near shore fisheries. Solid waste disposal and sanitation have become major concerns in virtually all PICs. Conflicts of the variety in Guadalcanal that was partly the result of the in-migration of 'ousiders' is a feature of virtually all these countries as a result of urbanization.

Unsustainable natural resource exploitation and urbanisation are integral to the economic and social transformation of Pacific island states in the current phase of globalisation.

A sector that is regarded as posing considerable constraint to economic growth is agriculture and especially subsistence agriculture. In virtually all PICs customary forms of land tenure are intimately bound up with small-holder production. Customary land tenure is perceived as a major fetter to increased productivity as group ownership does not allow land to be used as collateral in securing bank loans for investment in

¹⁰ Australia sided with the United States in downplaying the environmental impacts of human activities and sought to dilute the Kyoto Protocol much to the chagrin of PIC representatives.

equipment, fertiliser, and pesticides. Moreover investments in other areas such as tourism, housing, renewable energy and waste disposal are seen as being unnecessarily stalled by land not being a factor of production that can be bought and sold in the market. However, it is also widely recognised that without the access that most (not all) islanders have to plots of cultivable land, guaranteed by their membership of land owning groups, poverty levels would be much higher.

Demographic trends in Melanesia indicate on-going population growth at an average rate of 2.7%. More than half the population of this subregion is below 25 years. Micronesian growth rate is around 2% and Polynesian countries average around 1.2% (Bedford, 2003). The latter countries have large transnational communities abroad. Micronesians have used options for labour migration and permanent relocation. Melanesians have tended to be limited in their scope of mobility within their own countries, although this was not always the case¹¹. Rising expectations, pressure on land and the search for perceived opportunities are driving growing numbers of islanders to urban centres. Urban growth rates are double that of population growth rates. Unemployment and underemployment are widespread. Statistics of unemployment are not readily available but estimates of unemployment among young people range from 20% to 60% (Naidu and Chandra, 1997; UNDP, 1994; 1999).

Global markets in goods and services based on notions of 'level laying field' do not abode positive development for most PICs. In fact such notions appear to fail to take account of special disadvantages and vulnerabilities of PICs. Until the advent of the recent dogma of free trade (and good governance), the small island states had preferential trade relations with large countries and economic blocs. The LOME Convention and more recently the COTONOU Agreement provided non-reciprocal access of product exports to European Union market for African, Caribbean and Pacific (ACP) states. These products for the Pacific member states included tuna, sugar, and coconut oil. SPARTECA, the South Pacific trade agreement allowed island products preferential access to Australian and New Zealand markets. Although origins of inputs and extent of value added qualifications restricted benefits from this agreement, it gave impetus for some labour intensive manufacturing in the islands. Fiji's garment industry emerged from the late 1980s onwards as a consequence of both the preferential access provided under SPARTECA and tax incentives. By 2000, the industry provided employment for 14,000 workers, mostly women. In Samoa a large Japanese owned vehicle wiring factory was established on a similar footing.

In addition to these broad based multilateral preferential non-reciprocal trade agreements, there were several bilateral arrangements that allowed island country exports preferential access into American, Japanese and Malaysia markets.

¹¹ Between 1860 and 1920, thousands of Melanesians were 'blackbirded' and taken as labourers to work in plantations in Fiji, Samoa, New Caledonia, Queensland and New South Wales. This so called Pacific island labour trade actually began in Australia in the 1840s and ended with the Australian Federation in 1900.

Accession to WTO, and more generally compliance with its rules for free trade, require member states to end preferential access and treat producers in all countries the same or equally with respect to market access (Kelsey, 2004). The Cotonou Agreement will see the phasing out of preferential access and relative high sugar prices for ACP exports and SPARTECA will come to an end as will all the bilateral trade agreements (Firth, 2005).

The hardship that can arise from such blanket application of free trade for small island states can be seen in the aftermath of the banana war between the United States and the Europe Union. While the litigation involved US and EU companies and their states, the biggest losers were the banana growers in the Windward Islands of St Lucia, St Vincent and the Grenadines whose livelihoods were seriously devastated. It is not clear to what extent efforts to put in place fair trade schemes have worked for the farmers there. Australia, Brazil and Thailand have taken the matter of preferential access for ACP products to EU to the WTO. Fiji is likely to see the closure of a large number of its garment factories and Fiji's primary agricultural export sugar will no longer be economical (OXFAM, 2005; Firth, 2005). The possibilities of economic contraction and reduced employment prospects for young people have significant implications for social unrest, political instability and growing insecurity.

Addressing "Roadblocks"

Many of the policy ingredients for growth are readily identifiable given the outcomes of past experimentation in the Pacific region. Most of the policy options have been based on the Washington consensus approach adopted through the help of donor and development interventions. These policy measures include a stable macroeconomic environment, the presence of clear and enforceable property rights, access to good public infrastructure, and the presence of an open trading and investment environments.

However, concerted attempts by Pacific economies for policy reform have led to slower than expected results, in terms of growth. These can be partly explained by the lower than expected private investment flows in the region.

Whilst, tourism provides the greatest prospects for job creation within several PICs, growth of this sector has varied over time but there remains considerable potential for further expansion. This is due to many constraints, including relatively higher costs of transportation and communications and generally high costs of doing business. It is also clear that improving access to land for large-scale private enterprise needs to be addressed (Houenipwela, 2007).

Superior economic management is required for resource rents to be used for long-run growth in income. The presence of natural resource abundance in the region has often not promoted the growth that could have been expected, and sometimes has led to negative rather than positive effects. Resources such as mineral wealth, fisheries and forests need to be managed, to ensure that any income derived from liquidating these resources is used to promote growth elsewhere in the economy (Commonwealth of Australia, 2006).

The vast majority of the PIC population live off their land and this includes the majority of the poor. Some 80 percent of the 5.5 million residents of PNG draw their livelihood from the rural sector (Chand, 2006). Agricultural productivity, therefore, would need to rise if the majority of the population is to witness an improvement in their wellbeing (Duncan, 2007). The importance of customary ownership in the Pacific and the sensitivity of land tenure reforms, have been both had an impact on land use, and resulting low levels of productivity.

Private investment is the greatest hurdle, and this needs to be raised. According to Narube (2006), to reach the average level of investment of developing countries, that is, 25 percent of GDP, Fiji needs an additional \$400m in investment. Furthermore, economic growth cannot be lifted sustainably without reforms. The benefits of reforms include improved delivery of service, better allocation of resources and reduced tax payers' burden. A critical aspect, linked to the reform efforts, is raising aggregate productivity in order to improve competitiveness.

The experiences of Mauritius and Samoa demonstrate that the handicaps of size and isolation, through inherent, can be alleviated by ensuring good governance, macroeconomic stability, and security to returns from private investments though it is worth emphasising that smallness and isolation will continue to drag the underlying competitiveness of our economies. Growth strategies in the Pacific, however, will have to be determined by each PIC, in terms most appropriate given country circumstances (Houenipwela, 2007).

Sustainable Development

A characteristic of Pacific societies and cultures in the not too distant past was the relative equality that everyone had in accessing productive resources and the strong commitment to reciprocity and redistribution. This minimised gross economic inequality. Although virtually all post-independence governments maintained their commitments to redistribution and equitable development, considerable inequality and poverty have merged over the last 25 years.

In many Pacific states, the private sector has been small historically and has been controlled by foreigners (not unusually from the former colonial power), mixed race and Asian people (Bedford, 1980; Britton, 1979). The state sector inherited by islanders became the basis of elitist lifestyles and accumulation of wealth for senior bureaucrats and politicians. Unscrupulous private interests in natural resource exploitation, special waivers in licensing, tax and tariff regulations and repatriation of profits have corrupted politicians and civil servants (Transparency International, 2003). There has also been open abuse of public office in the squandering of public funds. A recent Commonwealth Secretariat and Asian Development Bank commissioned report makes an exaggerated claim that between independence and the current period US\$75 billion has been lost because of bad governance in Fiji, Nauru, Papua New Guinea and the Solomon Islands (ADB and COMSEC, 2005). For Fiji, the late Mr Savenaca Siwatibau estimated that F\$500,000 was lost from unaccountable use of funds since the late 1990s.

The competition for political power at the 'national level' has included ethnic mobilisation which in turn has triggered ethnic group rivalry and conflict. Political instability and willingness to take extra-legal action to acquire state power has emerged in a number of Pacific countries (Naidu, 2001). Fortunately, there are countervailing forces emerging that seek accountability of public office holders and stand firmly for the rule of law.

On the positive side, there has been a growth in civil society groups and non-government organisations representing women, youth groups, farmers, workers (including trade unions), students, professional bodies, non-partisan citizens organisations, democracy movements, environmental groups and ratepayers association. In Fiji there is an active Coalition of Human Rights Groups. Community and faith based groups have become more active and vocal. There are now a number of national umbrella NGO bodies and a Pacific Islands Association of NGOs (PIANGO), which runs a parallel forum to the Pacific Islands Forum.

These civil society organisations engage in research, education and awareness generation and campaign to achieve goals around their interests and concerns. They play critical watchdog function with respect to political power holders. They are insistent on being listened to and they bring rights based frameworks to bear on Pacific decision-making. Even the often conservative and status quo oriented churches have taken up the causes of social justice and accountable governance.

Pacific media have increasingly sought to become independent of government. In some countries there is relative independent media, although there is an on-going struggle for media freedom in others. In Tonga there have been several attempts at legislation against a free press. The media play a critical role in informing the public about the going-ons in government.

There is also the emergence of groups addressing globalisation and trade liberalisation like the Pacific Network on Globalisation (PANG). It is an NGO that grew out of a regional meeting convened by a number of regional NGOs to discuss issues of globalisation. It mainly does research, analysis and advocacy on trade liberalisation and has commissioned work that exposes the interests behind the globalisation agenda. It calls for proper impact studies to be done and for democratic processes to be followed in the formulation and adoption of free trade policies and other reforms.

Another of the positives that has emerged to deal with the challenges posed by the interaction of forces of globalisation and internal dynamics of Pacific states, especially in the aftermath of the 2000 crises in Fiji and the Solomon Islands, and as part of the review of the Pacific Island Forum was the establishment of an Eminent Persons' Group¹² by Forum leaders, and the resultant Pacific Plan.

¹² Not surprisingly, it was an all men group—namely Sir Julius Chan, Australian High Commissioner to New Zealand, Robert Cotton, Dr Langi Kavaliku, Teburoro Tito and Maiava Iulai Toma. Women constitute 50% and youth (14-25 years) 75% of the region.

The Pacific Plan

Three years ago Forum leaders' agreed to work towards the development of a Pacific Plan. They adopted the following vision:

"Leaders believe the Pacific can, should and will be a region of peace, harmony, security and economic prosperity, so that all its people can lead free and worthwhile lives. We treasure the diversity of the Pacific and seek a future in which its cultures, traditions and religious beliefs are valued, honoured and developed. We seek a Pacific region that is respected for the quality of its governance, the sustainable management of its resources, the full observation of democratic values, and for its defence and promotion of human rights. We seek partnerships with our neighbours and beyond to develop our knowledge, to improve our communications and to ensure a sustainable economic existence for all" (Urwin,2004,4).

While there is little that one would disagree with in this 'motherhood' vision, it is not too clear how widely or deeply it is shared. After all, Tonga's government does not reflect a commitment to democracy and the appreciation of diversity of culture is not especially deep in Fiji. Neither human rights nor good governance is widely reflected in the workings of the state on the ground. However, it is a step in the right direction, as there appeared to be a lack of vision among many Pacific leaders until the adoption of this statement. The other immediate positive of the Report and the envisaged Pacific Plan, is that the development debate is back in the forefront of deliberation among islanders.

The Plan has four pillars: economic growth, sustainable development, good governance and security. These are all important areas worthy of attention but there are other areas such as the promotion of Pacific island cultures and values that require more attention. As a living document, it will provide the basis for debate, dialogue and departures, hopefully to forms of development that reflect the interests of island people.

There is a concern that the Pacific Plan will complement the closer integration of PICs as envisaged in the Pacific Island Countries Trade Agreement (PICTA) and Pacific Agreement on Closer Economic Relations (PACER) in spheres other than trade and economy. Professor Jane Kelsey has warned about the disadvantages that smaller Pacific states are likely to face from regional free trade (2004). Related to this concern, is that the Plan and other trade related initiatives would be more to the benefit of the existing Pacific elites and outside private interests rather than the broad mass of islanders. The Plan seeks to deepen regional cooperation and integration. Specific areas that have been identified in the Plan are transportation, including regional airlines, ICT, standards and conformance issues, quarantine and customs, increased trade facilitation, common judicial and public administration, common financial systems, security and law enforcement, and processes for meeting international obligations.

There have been useful regional initiatives in place in several fronts over two generations. These have included shipping, education, health, fisheries management and negotiation,

aviation, trade, security and a nuclear free Pacific. There is certainly scope to strengthen these and to examine new areas of cooperation and modes of more effective regionalisation.

A number of matters need to be kept in mind with respect to the Pacific Plan process:

First, the major issue lies in the balance of power between the accountability of political leaders to their people and decision-making in the context of the Forum and inter-government bureaucrats and technicians. This is more than an issue of 'national sovereignty' which usually emerges in discussions relating to regionalism but the right of people to participate in a meaningful way in the decision-making that affects them.

Related to this, it is vital that any regional plan is supported by the citizens of the countries of the PICs. It is not sufficient for Forum leaders to make the decisions on their own. This is integral to good governance practice. Of particular importance is that the voices of those who are not heard in decision-making be strongly encouraged. In this regard women and youth have been relatively voiceless in national and regional bodies. The role of civil society needs to be recognised and an enabling environment created for such groups.

Second, the strengths of PICs and their people need to be recognised: in both Polynesia and Micronesia, MIRAB strategies have been adopted and maintained for over a generation. In Melanesia, subsistence agrarian livelihoods and rural communities predominant. These provide food security and social capital.

The MIRAB model challenged the orthodox and dominant development growth model. They recognised that established economic growth theories that envisaged movement overtime from low productive/low return activities such as farming towards more productive and higher returns (per unit of labour) such as industrial production did not apply very well to the smallest states of the Pacific. The people of these states used other strategies to improve their wellbeing.

Bertram and Watters (1985) pointed out the reliance of the smallest PICs in Polynesia and Micronesia on migration, remittances, bureaucracy and aid. Although aspects of the model have been used negatively by other scholars-such as the emphasis on aid bureaucracy, rent-seeking behaviour and large bureaucracy, Watters and Bertram (1985), correctly interpreted MIRAB as a strategy to cope with and even take advantages of the opportunities offered by the processes that linked small states to economically and politically powerful neighbouring countries. This point is made very firmly by Professor Epele Hau'ofa in his seminal paper, "Our Sea of Islands" (1993) with the added emphasis that ordinary people of the Pacific have responded to the challenges and opportunities in ways that could not be prescribed for them by their political elites.

It is an irony of our times that although globalisation is regarded as almost inexorable, there is extremely strict restrictions on cross border travel or movement of people. Over the last hundred years the free movements of island people over their 'sea of islands' and

to the Pacific rim have been increasingly subject to regulatory constraints. Since the adoption of the 'points' system by Australia and New Zealand which favours skilled and business migration, island people have had limited opportunities to emigrate. Paradoxically, a beneficiary of Pacific Island Kanaka labour from 1840 to 1900 (Graves, 1984), Australia with its post-federation white Australia policy severely restricted black Pacific benefiting from labour migration. Paradoxically too, that Australia turned to the black Pacific for its 'Pacific Solution' in dealing with asylum seekers.

In this regard a critical issue for regional cooperation and integration is the scope of Melanesian labour migration to Australia and New Zealand. In the short term the utilisation of such unskilled labour will act as a 'safety valve' for sending countries by providing opportunities for employment abroad. In the longer term, labour migration is likely to build capacity among islanders in enhancing skills and entrepreneurship. Overall, it will contribute to more equitable economic integration.

The larger PICs of Melanesia, namely Papua New Guinea, the Solomon Islands and Vanuatu have been described as nations of villages. National and regional initiatives to be useful need to put in place pro-poor growth strategies that promote rural development. Care must be taken to carefully assess the social and environmental impacts of large development projects and to decentralise opportunities and services.

In the discussions pertaining to good governance and economic growth, there has been a tendency to move towards several regional initiatives, neither of these will be satisfactorily attained without citizens of regional countries having the capacity to hold governments accountable and take up economic opportunities. It is critical that policies that enhance social development including those that impact on health, education and social protection are addressed. The MDGs can only be achieved if islanders hold their national governments accountable for them.

Conclusion

The small island states of the Pacific are faced with major challenges. Rapidly changing external and internal circumstances that bring together globalising transformation such as free trade and rapidly growing populations that are increasingly urban bound, pose significant challenges to human security, economic growth and development in PICs. There is a need for significantly improved forms of internal governance, better management of public resources, pro-active engagement with peace building initiatives and enhanced cooperation at the regional level. They are also lessons to be learnt from other small island states elsewhere in the world such as Mauritius, Maldives and Barbados.

PICs will need to push for initiatives regionally that will help ease the pressure on them with respect to economic growth and employment generation in the changing global investment climate. Greater mobility of their unskilled and semi-skilled labour force, for instance will have significant benefits for the larger Melanesian PICs. Given the paucity of investment funds, PICs also need to ensure that overseas development assistance is

utilised more effectively. Global initiatives such as the MDGs are likely to provide opportunities for addressing many emerging problems and these must be used.

The Pacific Plan does provide some significantly innovative ways to tackle national level challenges through regional cooperation. PICs can gain considerable traction in addressing challenges of security, growth and development by working with regional and international partners.

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