

“A white shark among minnows? Australia’s changing role in the Pacific”
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Introduction

Thanks to ACFOA for ^{this} timely Forum on Australia’s role in Oceania.

For Pacific peoples Australia and Aotearoa New Zealand are relatively large and prosperous neighbours who have been former colonizers and who have had a history of contributing to their development but who have also undermined their capacity to develop. This extends even to their ability to have a viable and robust national rugby team! These two countries have numerous links and long-standing relationships with island Pacific. They also act as the regional ‘big brothers’ and self-appointed gate keepers on an on-going basis.

At the same time for Pacific island peoples Australia and Aotearoa New Zealand are predominantly European with a gaze largely oriented to Europe and North America – and to a much lesser extent Asia. Physically located in the Pacific, the majority of their people have not made the transition of seeing themselves as Pacific people. They have historically sought to exclude islanders from settling in their countries. Their treatment of their indigenous people has been a litmus test in the perception of Pacific islanders on how genuine they are in relating as equals to coloured or black Pacific. In this regard Aotearoa New Zealand is seen as being more attuned to the Tangata Whenua as well as Pacific islanders. Australia has had moments of achieving a more positive regard such as the Mabo ruling but these have tended to be short lived, squashed by the conservative white majority exhibiting old style settler disposition in their words and actions. It is not surprising therefore that in the island Pacific there is a considerable degree of ambivalence to white Australia. This uncertainty of outlook towards Australia has been reinforced by a number of recent events such as the Australian ‘Pacific solution’, the on-going push for ‘reforms’ through regional bodies, diluting regional resolve in dealing with environmental matters, having an Australian appointed as the Secretary General of the Pacific Island Forum, the apex regional political body thereby breaking the established tradition, the shift to security considerations and its direct intervention in the Solomon Islands.

Australian policy changes towards Pacific Island Countries

Australian National University political scientist, Greg Fry has provided a comprehensive and critical account of Australian Pacific policy changes in the post –Cold War period (see Fry, 1996 and 1999). He points to the framing of the region in terms of doomsday

scenario and the need for reforms in just about all aspects of Pacific island countries based on a composite juxtapositioning of apparently negative traits from different sub-regions of the Pacific. The drivers of this negative framing of the Pacific were government officials and advisers, policy oriented academia and the media. Australia as the regional hegemon having undergone a painful restructuring process was urging Pacific island countries to save themselves from imminent national calamity by reforming government, economic policies, social and cultural institutions. This extended to transforming traditional land tenure systems. He identified Australian policy shifts from the Cold War era of keeping the islands Soviet free and negatively depicting island states as non-viable in the 1970s to 1980s, to the partnership approach to meeting regional challenges taken by Gareth Evans between 1988-93, to the return to envisaging a doomsday scenario for the region largely the consequence of incompetent and corrupt Pacific island governments in the 1990s. The most recent metamorphosis has been the post September 11 security driven foreign policy orientation with a continuing push to liberalise economies and democratize politics in the region in the name of good governance.

The recent paper by Professor Helen Hughes on the failure of aid in the Pacific that was commissioned and published by the Centre for Independent Studies continues the distorted imagining of the islands. It is noteworthy that while her views and the evidence that she has provided to back her assertions have been shown to be wanting, a number of former consultant economists have come out strongly in support of her. One of whom has written of "the cargo cult mentality is alive and thriving. We created that; now it is the white colonialist, to fix it, once and for all" (<http://www.devnet.org.nz>). He recommends educating islanders and engaging in intercultural understanding and "then maybe we can progress over the next few generations, because it will not happen in my lifetime". However, Hughes firmly advocates the primacy of the private sector in development and the creation of an environment conducive to the market.

In this regard she is supportive of intervention for unbridled capitalism including the privatisation of land and other natural resources. She has been scathing of IMF and ADB, although her policy prescriptions have the support of all major international financial institutions as well as pro-reform OECD and G7 states. On the other hand the institutions that she attacks such as UNDP and bilateral aid agencies and by extension non-governmental organisations seek to intervene to "...to achieve social and humanitarian aims directly and to govern the market from outside as part of doing so" (Allen and Thomas, 2000, 28).

She has criticised regional bodies as ineffectual Australian aid recipients as they have not been able to push the Australian agenda with greater alacrity. Stanley Simpson of the Pacific Network on Globalisation (PANG) in an article entitled "Who controls the Forum?" in the Fiji Times of 20 August, this year asks the question of whether through aid and bullying tactics, Australia had transform the Forum to being "...a means to manage the voice and actions of Pacific states".

This brings me to the drivers of Pacific policy change.

Drivers of Australian Pacific Policy change

Australia's Pacific policy has to be understood in the context of its foreign policies in the broader international arena. As a member of ANZUS, it has largely uncritically supported the United States of America. The current government is firmly in the league of the coalition against terrorism. Australians have become a target of extreme Muslim militants. This month's issue of *Island Business* reveals that the Solomon Islands Prime Minister having unsuccessfully sought Australian assistance in restoring law and order, approached Indonesia for such assistance. One wonders whether this precipitated the sudden turn around in the Australian approach, which until June 2001 revolved around the Foreign Minister's stated view that "in the future, the only worthwhile solutions to the problems in the Solomon Islands would be 'homegrown'" (Crean, 12 August, 2003, <http://australianpolitics.com/news/2003/08/03-08-12a.shtml>). Australia's vulnerability to international terrorism and other less threatening activities such as money laundering, drug and people trafficking have been a boon to both 'security studies' institutes and security agencies. On the retreat for a decade, they have a new lease of life to re-enact themes of ever increasing threats from afar and from the backyard.

Outside of the French colonies in the Pacific, the commanding heights of virtually all the western Pacific island economies is dominated by Australian corporations. Major banks, business houses and mining companies are owned and managed by Australians. In the recent past there has been some in-roads made by Asian companies in the island Pacific. However, Australian enterprises remain dominant. Australian economic colonialism has continued after Pacific island countries gained political independence. For many island countries, Australia is the major trading partner and especially the primary source of imports. Fiji, Papua New Guinea and the Solomon Islands have significant trade imbalance in their economic ties with Australia. The lawlessness in the last country seriously jeopardised business as usual.

"A series of dramas including the sudden closing down of Honiara's banks sounded alarm bells in Canberra and Australian Prime Minister John Howard responded with a full scale intervention. It was dressed up as a Pacific Islands Forum project, at the invitation of the Solomon Government. But the reality was that the landing date was set and forces put into motion three weeks before the paperwork was done...The fate of Solomon Islanders was of less importance in Wellington and Canberra than the growing panic that the neighbourhood was going bad" (Keith-Reid, September, 2003, 25).

In the May 2000 Fiji putsch led by George Speight, an Australian garment factory owner handed F\$50,000 to him during the hostage crisis. This was designed presumably to secure his assets and interests in case Speight was successful. More insidiously, the subsequent military coup and the overthrow of the Fiji Labour party -led Peoples Coalition government resulted in the extension of the 13-year tax-free holiday for the garment industry. Speculation was rife on the extent of the collusion of business people

in aiding and abetting the coup. The businessman is now a close confidant and a member of the inner circle of advisers to the current Fijian Prime Minister.

Stanley Simpson points out that the primary objective of Australian aid is to advance Australian national interest in which the private sector is given a prominent role, as are private Australian consultants who design its aid projects. "What is alarming is this increasingly and unabashed trend where the Pacific is being created in Australia's image, politically and economically." (Ibid, p2).

Australian media have kept pace with dramatic events in island Pacific providing usually distorted accounts for the consumption of politicians, bureaucrats, academics and the populace at large. A recent Australian Senate report maintains that Australian media is quite ignorant of island countries. The notions of an emerging 'arc of instability', a 'failed region', 'failed and failing states' and the 'Africanisation' of island Pacific were bandied about, reinforcing the spectre of global threats taking roots in Australia's backyard.

Right wing academics outside the already mentioned strategic and security studies area have been another set of agents in the pro-reform drive in the region. They have blindly chanted the mantra of neoliberalism – freeing up the market, downsizing the state, deregulating trade and cutting social spending. Helen Hughes' "Aid has failed the Pacific" paper is not only a particularly trenchant example of this but it also starkly manifests the arrogant 'we know it all' approach to complex development issues. Walsh (1998) made the following pertinent observation on reform:

"Australia is providing some of the pressure, and much of the expertise to assist PINs (Pacific Island Nations) 'structurally adjust'. AUSAID policy is now focusing on the 'reduction of poverty through sustainable economic and social development'. But this most appealing goal may not be possible if PINs pursue undiluted SAP approaches, even assuming that overworked fairy 'Trickle Down' will eventually produce her elusive trickle 'effect'.

It is generally agreed that SAP initially increases inequalities. I cannot for the life of me see how a philosophy based on competition between uneven competitors, with few no holds barred; the supposed and undisputed efficiency (what does that word mean?) of private sector; the removal of protection from local industries; lower wages and poorer working conditions; or the sale of state assets to foreigners at fire sale prices, can ever help the poor (his emphasis).

Structural Adjustment is an ideology, a gospel, lacking theoretical foundation; it has not worked anywhere to produce equitable development; and it was not responsible (despite what we are told) for the success of the Asian Tigers. PINs cannot compete in a 'seamless' world. They cannot afford the social 'safety net' of the family and

unemployment benefits used by developed countries in their 'adjustment'. Their firms will not pay redundancy packets. In Fiji deregulation and loss of protection for infant industries will hinder indigenous Fijian participation in business. Smaller PINs have no industry to protect and virtually no private sector to take over from the state. Here as elsewhere, downsizing and cuts in government spending will create further unemployment and a further deterioration in basic government services. There is no guarantee it will lead to greater efficiencies".

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It is my view that a ~~conjecture~~ of local circumstances were heightened by the reform process forced on the Solomon Islands creating the conditions that led to open conflict, bloodshed and massive displacement. My question is "why did the ethnic tensions that have existed in the Solomons for much of the post-independence period suddenly breakout in violent conflict?" Besides the guns that came from Bougainville, did the Australian, New Zealand and Asian Development Bank backed reforms have anything to do with it?

Public perceptions of Australian Pacific policy changes

Under this subheading at the outset I would like to state that I join most other informed people from the island Pacific in welcoming the presence of Australian, New Zealand and Pacific Island police and military personnel in the Solomon Islands. However with many others feel that the human catastrophe there would have been avoided had Canberra responded to the pleas for direct security assistance from Honiara in 1999. As pointed out by Field, Australian sense of insecurity rather than a genuine desire to lift the Solomons out of the quagmire it had gotten ^{was in} into was the main motivating factor. This implies a dominating Australia rather than a^t Australia that seeks partnerships with island countries.

In July, the Fiji Times reported that Australia was on the verge of providing F\$600,000 to the Fiji Military Forces to modernise its equipment, which presumably includes arms and ammunitions. A Fijian army strongly allied to Australia will be useful for the latter but not for Fiji. This military's role in the country has been rather problematic. Far from ensuring security, it has been a source of insecurity. With three coups under its belt, unable to account for the 'missing arms' that followed the hostage taking and with divided provincial loyalties the Fijian military in the current period is not one that engenders confidence. Beyond its track record of extra-political interventions ^{at} on the behest of fractions of the ruling elite defeated in free and fair elections and not being able to secure its own armory, there is the moral question of arming an exclusively ethnic military in a multi-ethnic society. This question does not bother the conscience of Australian security advisers as long as Australian sense of insecurity is reduced. For non-indigenous Fiji citizens and especially Indo-Fijians the arming and training of the Fijian military reflect a lack of any real concern for their security and citizenship rights.

Mention has been made of the negative implications of the reform process that Australia has been pushing at bilateral and multilateral levels in the region. Funded largely by

Australia, the Forum Secretariat has maintained a steady pressure on island states to actively engage in structural adjustment. A former Deputy Secretary General, William Sutherland has written a paper on how this body has acted to bring the reform agenda on to the door steps of island countries. But what the Forum Secretariat has achieved this far is not good enough for the Australians. Not satisfied with its nationals holding the position of Deputy SG, the Australians have been pushing for and now have succeeded in having their man at the helm. The process has exposed the neo-colonial intentions of Australia. There has been little or no sensitivity to island Pacific's deep desire to revolve the position amongst themselves as a symbol of both regional and national pride and independence. The position was not meant to be held on a competitive and exclusively merit-based basis. The understanding was that there would be a number of well-qualified and experienced Pacific island leaders capable of holding the SG position at any given time, one of which would be appointed on the basis of consensus.

The cover report of the September issue of Islands Business, entitled 'Australia's regional push risks a backlash' has warned that, "Those who climb onto the high horse of morality on the low road of brute force, however risk serious backlash". The author gives the example of the embattled British Prime Minister who is subjected to concerted media criticism, which only months ago were amongst his cheerleaders. There is little evidence of any backlash in the article to the appointment of Greg Urwin. There have been expressions of disappointment by some Pacific island leaders on his appointment and by some commentators on the lack of island solidarity in the face of Australian pressure.

The backlash amongst island countries may yet occur on the back of the competition to win the hearts and minds of islanders between Australia and New Zealand on the one hand and a combination of Asian countries on the other. The rivalry between the Republic of China and Taiwan has already resulted in a strong presence of the former in a number of island states. Cheque book diplomacy has proven an easy path to gain support in a number of island states. The 'look north' approach may be followed more systematically by a number of island states to offset the efforts of Australia to push its agenda for the region.

Conclusion

Over the last two decades Australian Pacific policy has been based on an increasing lack of respect for the capacity and indeed the ability of island countries to govern themselves. Instead of attuning themselves to the challenges that confront island states and the specificities that each of them encounter in managing the impact of the globalisation process, Australia has led the charge for 'reform' as a blunt instrument of privatisation. Not satisfied with the speed and scope of reform, there has been a ganging up of Australia, New Zealand, ADB and possibly other multilaterals. This has now extended to poverty reduction in the region. Australia appears to have taken up the role of a self appointed task master to orchestrate the changes that it desires. Australian self-interest is manifest in most of its dealings with countries of the region. The intervention in the Solomon Islands and the appointment of an Australian as SG of the apex regional body may not be sufficient to hold all Pacific states in line. Fortunately for them; there are

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other players such as China, Japan, Malaysia and South Korea who will increasingly challenge Australian hegemony and provide space for more pragmatic approaches to their development challenges. Already Japan is the largest aid donor in island Pacific outside of Papua New Guinea and Chinese generous funding of the sports facilities in Suva for the South Pacific Games have impressed virtually all participating countries.

Australians must recognise the capabilities of island people in dealing with the challenges that confront them, seek to be supportive when this is needed, make principled stands when there is obvious abuse of power, seek to understand the complexities in island societies before pushing the neoliberal 'one size fits all' model of development and make partners of Australian and Pacific island civil society actors to reach the broad masses of island people.

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