

Economic development and environmental issues remained prominent during 1993. In one significant shift, however, regional meetings gave greater attention to the idea of sustainable development, and less to narrowly economic approaches to development questions. Declining interest by the United States and the United Kingdom was complemented by increased interest from some Asian countries. Meanwhile, relations among the island states, and between them and their near neighbors, were generally positive. By year's end, the tensions between Papua New Guinea and Solomon Islands over Bougainville had largely been contained, as had the earlier trend toward the internationalization of the conflict there (Fry 1993, 399-402).

ENVIRONMENTAL AND ECONOMIC ISSUES

Both the domestic politics and external relations of most island countries were relatively calm during the year, despite the usual jockeying for position and rewards within particular political systems, and despite some ripples from the Bougainville conflict. The absence of other preoccupations facilitated the ranking of environmental and economic issues high on the regional agenda (see *WPR*, 15 Aug 1993, 1).

Island countries condemned Japan's decision to ship plutonium for its nuclear power industry through the region. The first shipment, on the *Akai-tauki Maru*, passed near New Caledonia, Vanuatu, Solomon Islands, and

the Marshall Islands around the beginning of the year (*WPR*, 1 Jan 1993, 1; *IBP*, Jan-Feb 1993, 12). The shipments will be infrequent and subject to extreme safety measures, so the risk of a mishap is minuscule. That said, island leaders remained aware that the human and environmental costs of any accident could be substantial. They were also resentful that, as on previous occasions relating to nuclear power, external countries had pursued their plans without bothering to consult the island countries.

Environmental and associated economic issues were a major focus of discussion at the 1993 South Pacific Forum, held in Nauru in August. Just before the meeting, Australia and Nauru reached an out-of-court settlement of A\$107 million in their dispute over compensation and restoration costs for the massive environmental damage to the island by Australian, British, and New Zealand phosphate mining during the colonial period. The two governments also signed a joint declaration of principles to govern their future relations (*PR*, 23 Aug 1993, 3; *IBP*, Sept 1993, 32; *APDR*, Oct-Nov 1993, 24; *PM*, Nov-Dec 1993, 35-36).

Because of the Australia-Nauru deal the Nauru compensation question disappeared as a potential point of contention at the Forum, but there was no shortage of other environmental issues to consider. The meeting reaffirmed the concerns expressed at the 1992 Forum about the Japanese plutonium shipments, endorsed a Papua New Guinea proposal for a regional conven-

tion on hazardous wastes, and expressed “particular pleasure” over France’s recent decision to extend its suspension of nuclear testing (*PR*, 23 Aug 1993). The meeting also condemned the massive destruction of forest areas by expatriate timber companies, which operate with the support of local agents and allies. The Forum’s concern was genuine, and during the year some ameliorative measures were taken, including a Solomon Islands ban on raw log exports (Fraser 1994, 53). Sadly, however, the recent history of timber extraction, in particular in the Melanesian countries, indicates that stricter regulation and other measures may be too little, too late (see *PIM*, Sept 1993, 19; Henningham and May 1992).

The question of sustainable development was considered at both the Forum and other regional meetings, notably the Pacific Islands Conference of the Pacific Islands Development Program held in Pape’ete in July (*IBP*, Aug 1993, 27). The “sustainable development” objective attracted broad support. This more holistic approach marked a shift in the thinking about development issues away from the narrower focus on market forces, the private sector, and growth objectives that has been in vogue in the region over the last few years (see Halapua 1993, 40–41). Difficulties of definition and effective implementation are yet to be overcome. Some observers consider the concept of sustainable development contradictory. The kinds of development, and the associated material goods, to which most island communities aspire are not necessarily consistent with environmental, cultural, and social conservation. In the course of

the year most island countries indicated that they would send a senior representative to the next Global Conference on Sustainable Development, to be held in Barbados in April 1995, which will seek to develop a sustainable development strategy specific to small island countries (*PIM*, Nov 1993, 39).

Discussion of “sustainable development” helped heighten interest in domestic environmental and developmental issues, especially the population question. These issues, though less attention-grabbing than nuclear shipments and testing, toxic waste dumping, driftnet fishing, or climatic change, are of central importance. Over the last decade, annual population growth in the island countries has averaged nearly 3 percent. In contrast, economic growth has averaged less than 1 percent per year, even though the island countries are the world’s leading aid recipients on a per capita basis. In several countries, rapid urbanization has created major adjustment problems. By 2010, on current trends, the population of the island countries is expected almost to double, straining if not overwhelming already inadequate infrastructure and services. Effective economic management, improved basic education, especially for females, and much more effective family planning and other population control measures will be necessary in most island countries if they are to avoid being drawn into a downward spiral of population pressure, poverty, and environmental destruction (*PIM*, Jan 1994, 41; *IBP*, Oct 1993, 11–13; Cole 1993). At the main regional meetings, island leaders displayed an increased

awareness of these problems, but it was also clear that traditional values and church influences would be major obstacles to the development and implementation of effective responses to population pressures. Meanwhile, for most island countries, limited resources, low commodity prices, and distance from major markets remained great obstacles to rapid economic growth.

REGIONAL ORGANIZATIONS

The Nauru meeting was the twenty-fourth Forum, and the first since some of the early meetings to be attended by a full complement of heads of government of member countries (*PR*, 23 Aug 1993). Discussions proceeded smoothly: the focus on environmental and economic generalities provided grounds on which all could agree, without conflicts emerging. The Bougainville question again remained off the agenda, on the basis that it is the internal affair of a member country, but was discussed informally. Meanwhile, Nauru deported a secessionist lobbyist. As the Papua New Guinea government gradually regained control over most of the province, and despite concern over human rights abuses by all parties to the conflict, the trend evident in the previous year toward the internationalization of the conflict was checked. The post-Forum dialogue meetings with external powers, which have taken place since 1989, were again regarded as useful by the island countries. With the Forum approaching its twenty-fifth anniversary, the 1993 meeting decided to institute a review of the organization's structure and operations for consider-

ation at the next meeting, to be held in Brisbane in 1994 (*IBP*, Sept 1993, 33; *APDR*, Oct–Nov 1993, 27–28).

The South Pacific Commission's annual meeting, the South Pacific Conference, which was held in Noumea in October, also went smoothly, in contrast with other conferences in recent years (*PIM*, Dec 1993, 18–19). The conference theme, "the state of Pacific children," highlighted the health and welfare problems of children in the Pacific Islands region. The commission's Secretary-General Ati George Sokomanu, who had been appointed in controversial circumstances at the previous conference, reported on recent administrative and financial reforms, some of which had been set in train under his predecessor.

The future location of the commission's women's and youth programs was the main issue under dispute at the conference. At its meeting in May the Committee of Representatives of Governments and Administrations had recommended the transfer of these programs to Suva, to facilitate their more effective operation and their access to international donor bodies. But at the conference, Papua New Guinea opposed the transfers and won sufficient support for the question to be made subject to further review. Papua New Guinea and Solomon Islands favored the retention of these programs in Noumea to facilitate contacts with the New Caledonian Melanesian community. Though they did not say so publicly, some island countries probably also supported Papua New Guinea's intervention because they believe that Fiji is already well enough endowed with the offices of regional

bodies. For their part France and its three Pacific territories opposed any further dilution of the commission's presence in Noumea, and the francophone Pacific, by the transfer of programs elsewhere. They complained in particular that the proposed transfers made a mockery of France's recent decision to invest heavily in the new headquarters building in Noumea.

During the year cooperation between the Forum, the South Pacific Commission, and other regional bodies and organizations was generally constructive, despite occasional disputes. It appeared that the structures for encouraging cooperation and coordination, especially the South Pacific Organizations Coordinating Committee, which has met annually since 1989, were operating satisfactorily.

Meanwhile subregional tensions in regional affairs remained mostly below the surface. In 1993, as in 1992, the Melanesian Spearhead lacked political dynamism because New Caledonia remained peaceful, because of the conservative stance of the Korman government in Vanuatu, and because of tensions between Papua New Guinea and Solomon Islands. The group met in Rabaul in June and signed a trade agreement eliminating import duties on three commodities: Vanuatu beef, Papua New Guinea tea, and Solomons canned fish. The meeting also discussed other measures to encourage further economic cooperation. For the first time Fiji sent an observer: Ratu Timoci Vesikula, deputy prime minister and minister for Fijian Affairs and Regional Development. Ratu Vesikula said it was only a matter of time before Fiji joined the Spearhead group. At the

Nauru Forum in August, Prime Minister Rabuka commented in similar vein. Such a development would have important implications for regional affairs. In the final months of the year, however, the Fiji government stepped back from Rabuka's apparent undertaking (*PR*, 26 July 1993; *PIM*, Oct 1993, 18-19).

EXTERNAL PLAYERS

The only surprise at the South Pacific Conference came when the United Kingdom foreshadowed its intention to withdraw from the South Pacific Commission. The British delegate cited budgetary restrictions but also noted that the United Kingdom no longer had territorial possessions in the region, apart from tiny Pitcairn Island. He added that other British aid to the region would continue. However, observers wondered if this withdrawal indicated the United Kingdom's inclination to wind down its already modest involvement in the region even further.

Island countries also noted, and were more concerned by, declining United States interest in the region. In the final months of the year, the United States closed down its embassy in Honiara, considered but then decided against closing its embassy in Apia, and announced the impending closure of the US Agency for International Development's office in Suva (*PM*, Sept-Oct 1993, 13). The Joint Commercial Commission, intended to facilitate business and investment contacts between the island countries and the United States, which had been announced by President Bush at his October 1990 summit with Pacific Island

leaders, has so far failed to gather momentum. Its inaugural working meeting was not held until October 1993 (*PM*, Mar–Apr 1993, 8; *PR*, 25 Oct 1993; *PIM*, Dec 1993, 16–17; Jan 1994, 13). In the circumstances of the post-cold war era, President Clinton's administration has shown virtually no interest in the islands, even with respect to the American-associated states and territories.

Palau responded to changing circumstances when it at last took the action required to enter a Compact of Free Association with the United States. Palau's future had been unresolved since 1979, because of a conflict between the American defense provisions in the compact and the antinuclear articles in Palau's constitution. Formerly a 75 percent majority had been needed to bypass these articles, but a constitutional amendment approved in November 1992 by 62 percent of voters had reduced this requirement to 50 percent. Next, in a referendum held on 9 November 1993, Palauans voted 68 percent in favor of the compact. Voter turnout was high.

The referendum result permitted the resolution of the status of the last remaining portion of the former United States Trust Territory of the Pacific Islands. Palau should become a member of the South Pacific Forum in 1994, assuming that prospective legal challenges to the result of the referendum do not succeed. The resolution was facilitated because, since the end of the cold war, Palauan concern over the compact has diminished. Given changing strategic circumstances, and American assurances, fears about military plans with respect to Palau have been

substantially assuaged. Moreover Palauan voters were told that should they again reject the compact, the attractive financial deal it offered might no longer be available, given Palau's reduced strategic importance and the budgetary difficulties of the United States (*PM*, Jan–Feb 1993, 8, 9; *PR*, 25 Oct 1993, 3; *PIM*, Jan 1994, 24; Dec 1993, 28, 29).

In contrast to the United States and the United Kingdom, France maintained a strong and active interest in the islands. The conservative parties were returned to power in the metropolitan elections in March 1993, but the new government did not alter French policies toward the region. France's attention was centered in its own territories but also involved efforts to consolidate links with other island countries, including by means of modest but generally well-targeted aid programs. France was aided in its efforts to win acceptance by the continued peaceful conditions in New Caledonia, where the truce embodied in the Matignon Accords of 1988 is scheduled to run until 1998, and by its decision to continue the suspension, in operation since early 1992, of its nuclear-testing program (see Chand 1993; Henningham 1994).

Whereas some of the former colonial powers were scaling down their involvement, newer participants were confirming their interest. The United Kingdom's announcement of its impending withdrawal from the South Pacific Commission gave greater urgency to the question, which has been under review for some years, of allowing new members into the organization. To speed up the consideration

of likely candidates, the meeting agreed to separate the question of new membership from the process of recasting the commission's constitution, which is scheduled to be completed in 1994. The delegates at the meeting took the view that it should be possible to admit new members in advance of the revision of the constitution. Following the British announcement, one conference participant urged that Japan be invited to join. The meeting agreed that requests to join should be addressed to the secretary-general, who would consult the membership. Japan has been expressing interest in joining the commission for several years. Should Japan become a member, other Asian countries are likely to request membership in due course, with weighty implications for the character and priorities of the commission (see *WPR*, 1 Nov 1993). Chile, which administers Easter Island, is another prospective member.

Whatever the outcome with respect to membership of the South Pacific Commission, interest in the region by several Asian countries, notably Japan, South Korea, China, Taiwan, and Malaysia, continued during the year, reflecting the economic dynamism of these countries and their wish to expand their economic and political role within the broader Asia-Pacific region. Japan continued to take a prominent part, in both investment and other economic links and the provision of aid. For reasons of history and proximity, it focused especially on the American territories and the freely associated states in Micronesia, but its influence continued to extend to other parts of the Pacific Islands region.

The process whereby the island

countries developed their links with Asia continued, however, to be two-way, with island countries seeking to diversify and consolidate their links with various Asian countries. For example the Republic of the Marshall Islands developed an aid and business relationship with China, including soft loans and a joint venture garment factory (*PR*, 13 Sept 1993; *PM*, Nov-Dec 1993, 18, 23). Prime Minister Paias Wingti, of the largest island country, Papua New Guinea, announced after his victory in the 1992 elections that Papua New Guinea would pursue a "look north" policy to consolidate its links with Asia (*PR*, 8 Mar 1993, 4). During 1993 Wingti and his government actively pursued this policy, by encouraging Indonesian investment and the expansion of Malaysian interests in forestry, mining, and the media, among other measures. In November, alone among the island countries, Papua New Guinea became a member of the Asia Pacific Economic Cooperation group; the Forum Secretariat meanwhile sought to represent the interests of the island countries as a group with respect to that organization (*WPR*, 1 Dec 1993, 1).

BILATERAL ISSUES

For the first half of the year, relations between Papua New Guinea and Solomon Islands were soured by the bitter conflict on Bougainville Island in Papua New Guinea's North Solomons province. Relations improved from mid-year, following the Solomon Islands elections in June, when the cautious Francis Billy Hilly replaced the combative Solomon Mamaloni as prime minister. In addition, by the end

of the year most of Bougainville, except for the Panguna area in the central part of the island, was under the control of the Papua New Guinea Defence Force or local "resistance" militias opposed to the Bougainville Revolutionary Army. The rebel group had squandered much of its earlier support by fractiousness, human rights abuses, and an inability to provide services. As Papua New Guinea's confidence that a resolution was in sight increased, its concerns about infractions of its embargo on the island diminished somewhat. Though indiscipline and human rights abuses by Papua New Guinea forces continued, the national government had established more reliable control over them, reducing their border incursions. In late 1993, building on earlier agreements, the two governments signed a further accord aimed at restoring good relations (*PR*, 8 March 1993, 6; 3 May, 1; 23 Aug, 1; 11 Oct, 6; *PIM*, Dec 1993, 8). Under the new arrangements the former Bougainville Revolutionary Army office in Honiara was converted into a Bougainville Humanitarian Issues Centre; meanwhile Papua New Guinea agreed to pay A\$300,000 in compensation for casualties and damage inflicted during incursions into Solomon Islands.

Relations between Solomon Islands and Australia had also been complicated by the Bougainville conflict, but, as noted, the occasion for these disputes largely disappeared (*PR*, 8 March 1993, 6). Bilateral tensions did surface between Papua New Guinea and Australia, over Bougainville and other issues. Papua New Guinea continued to resent Australian government,

media, and public questioning of the conduct of the Papua New Guinea armed forces in Bougainville. It also complained of Australia's intention to replace direct budgetary aid with program aid by the year 2000; under this policy, on the basis of close consultation between the two countries, Australian aid will be allocated and spent in broad sectoral areas. Papua New Guinea had earlier accepted this shift, but subsequently decided that program aid will impede its freedom to maneuver and encourage "neocolonial" interference (*PR*, 6 Dec 1993, 3, 4). These concerns were emphasized by Foreign Minister John Kaputin and reiterated by Deputy Prime Minister and Finance Minister Sir Julius Chan during visits to Australia in late 1993. In addition Kaputin complained that Australia was neglecting the bilateral relationship (*PR*, 8 Nov 1993, 1, 3; 6 Dec 1993, 3). Despite such tensions, the two countries remained closely associated, not least because Australia is by far the largest aid donor to its former colony; a serious breakdown in relations was avoided (*PR*, 20 Dec 1993).

The resolution of the compensation issue, and the consequent improvement in Australian relations with Nauru, was a success for Gordon Bilney, who had been appointed as Australia's minister for Pacific Islands Affairs and Development Cooperation following the return of the Keating government in the March 1993 elections. Bilney played a leading part in the negotiations (Fraser 1994, 52). With no guarantee that its case before the International Court of Justice would succeed, Nauru had found the Australian offer persuasive. Moreover, such a court vic-

tory would be phyrric: Australia would be unlikely to continue to cooperate on aviation, health, educational, and other matters of importance to Nauru.

The island countries had mixed reactions to Australia's appointment of a minister with specific responsibility for island affairs. Was it a positive step with respect to the interests and aims of the island countries? Did it signal a downgrading of the island countries in Australian priorities (*PR*, 8 Nov 1993, 3)? A clear answer to these questions has yet to emerge. Despite concern that Australia was overlooking the region because of its preoccupation with Asia (*PR*, 27 Sept 1993, 6), and despite some island country reservations about dealing with a junior minister, the presence of a Pacific Islands minister seems overall to have contributed positively to relations, both bilateral and multilateral, between Australia and the island countries.

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MY THANKS TO *Greg Fry and Bill Standish* for their helpful comments on an earlier version of this article.

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