



***No Easy Answers:
Australia and the Pacific Islands Region***

Research Paper
No. 5 1995–96

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***No Easy Answers:
Australia and the Pacific Islands Region***

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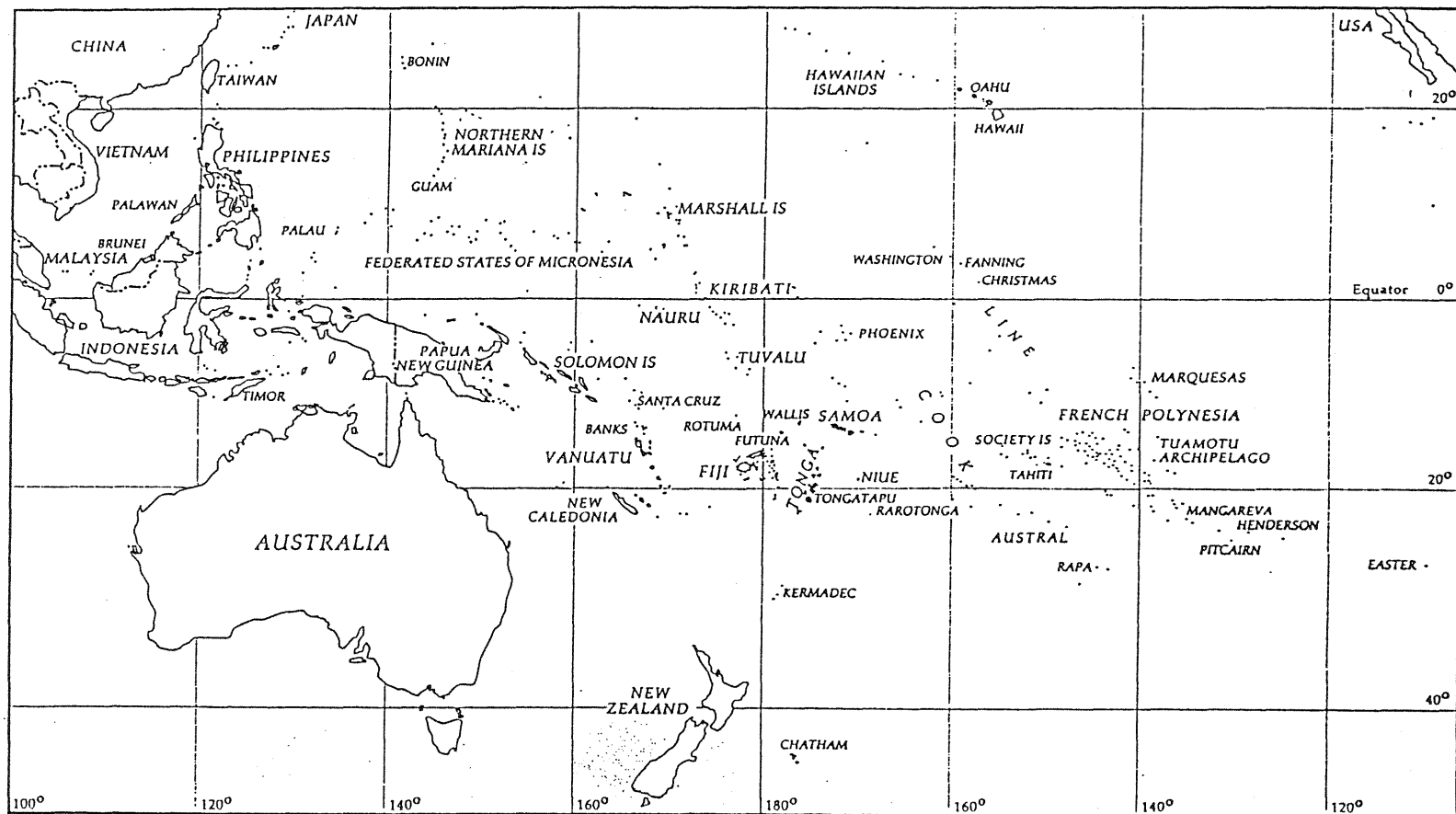
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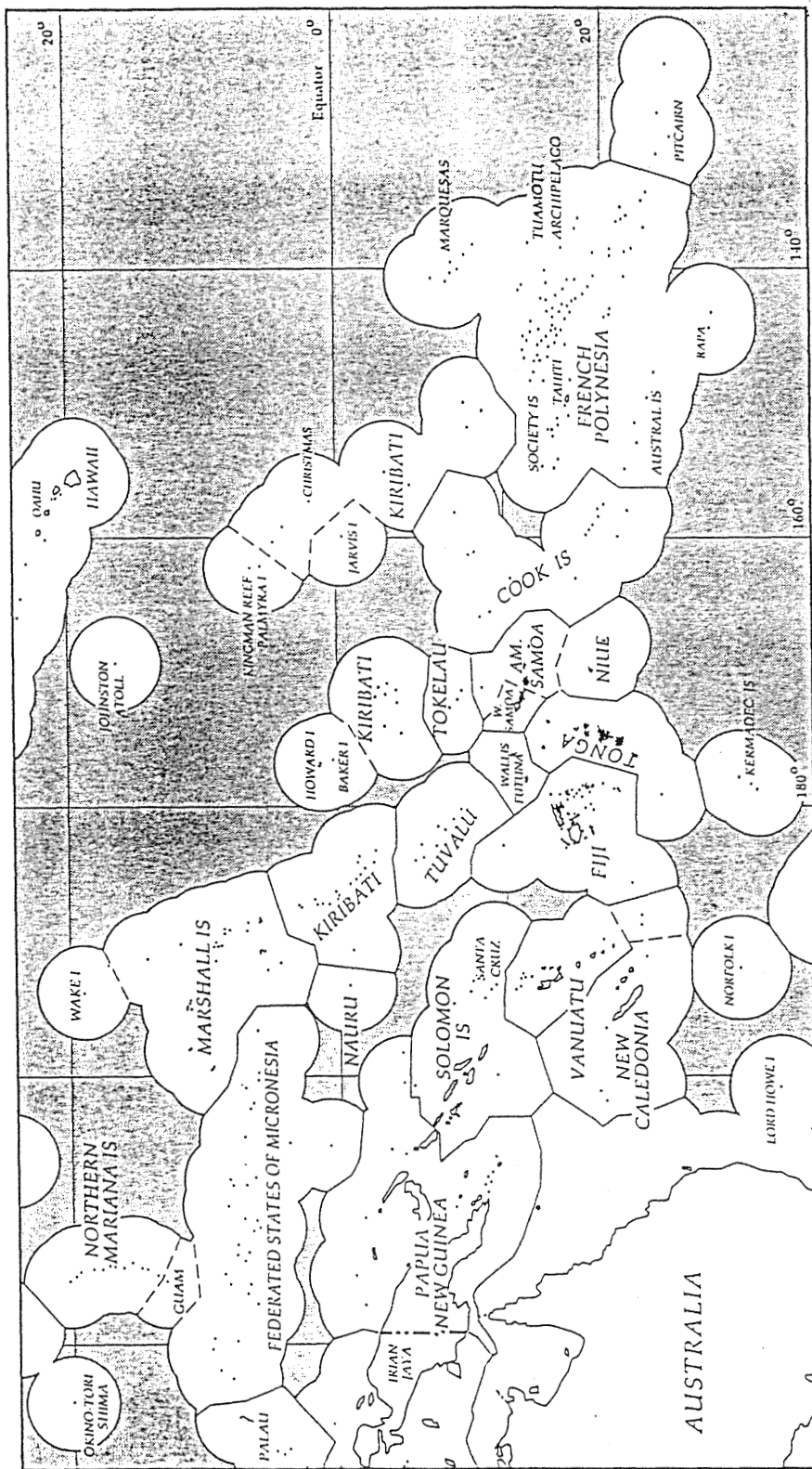
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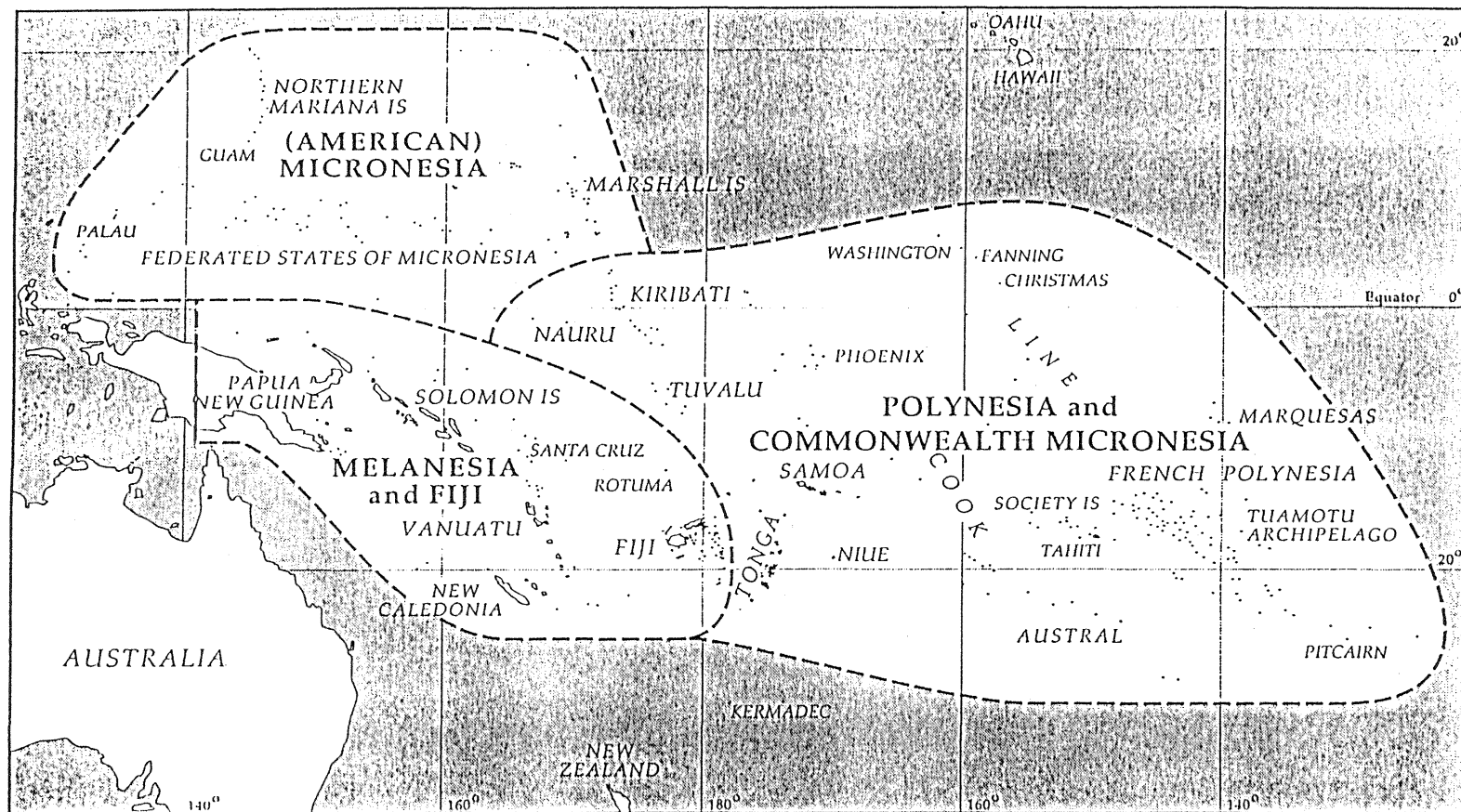
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Table 1 Island member states of the South Pacific Forum - basic data

STATE	POPULATION (Mid-1990)	LAND AREA (square kilometres)	SEA AREA ('000 sq. kilometres)	GDP PER CAPITA* (A\$, circa 1990)
Cook Islands	16 900	237	1 830	3 943
Fed. States of Micronesia	101 200	701	2 978	1 600
Fiji	725 000	18 272	1 290	2 181
Kiribati	71 800	690	3 550	654
Marshall Islands	46 200	181	2 131	1 514
Nauru	9 300	21	320	8 000 (GNP)
Niue	2 500	259	390	1 600
Palau	15 200	488	629	3 400
Papua New Guinea	3 528 500	462 243	3 120	1 376
Solomon Islands	324 000	27 556	1 340	725
Tonga	96 300	747	700	1 256
Tuvalu	10 200	26	900	767
Vanuatu	146 400	12 190	680	1 283
Western Samoa	157 700	2 935	120	939

Sources: South Pacific Commission, *South Pacific Economies, Statistical Summary Number 12*, Noumea: 1991; Australian and New Zealand government figures.

Note: The GDP figures used for this and for tables 3, 4 and 5 have several imperfections, but are broadly indicative

Table 2 Decolonisation in the Pacific islands region

STATE	YEAR OF INDEPENDENCE	COLONIAL POWER
Western Samoa	1962	New Zealand
Cook Islands	1965 (Free Association)	New Zealand
Nauru	1968	Australia (with New Zealand and the UK)
Tonga	1970 (formerly a protectorate)	United Kingdom
Fiji	1970	United Kingdom
Niue	1974 (Free Association)	New Zealand
Papua New Guinea	1975	Australia
Solomon Islands	1978	United Kingdom
Tuvalu	1978	United Kingdom
Kiribati	1979 (formerly linked with Tuvalu)	United Kingdom
Vanuatu (formerly the New Hebrides)	1980	France/UK (Condominium)
Marshall Islands	1986 (Compact of Free Association)	United States of America
Federated States of Micronesia	1986 (Compact of Free Association)	United States of America
Palau (Belau)	1994 (Compact of Free Association)	United States of America

Table 3 Entities of Melanesia and Fiji - basic data

ENTITY	POPULATION (mid-1990)	LAND AREA (square kilometres)	SEA AREA ('000 square kilometres)	GDP PER CAPITA (circa 1900)
Fiji	725 000	18 272	1 290	2 181
Irian Jaya	1 400 000	420 000	NA	700 (est.)
New Caledonia	167 600	19 100	1 740	16 354
Papua New Guinea	3 528 500	462 234	3 120	1 376
Solomon Islands	324 000	27 556	1 340	725
Vanuatu	146 000	12 190	680	1 283

Sources: As for table 1

Table 4 Entities of Polynesia and 'Commonwealth' Micronesia - basic data

ENTITY	POPULATION (Mid-1990)	LAND AREA (square kilometres)	SEA AREA ('000 square kilometres)	GDP PER CAPITA (A\$, circa 1990)
American Samoa	46 800	200	390	6 663
Cook Islands	16 900	237	1 830	3 943
French Polynesia	196 300	3 521	5 030	19 000
Kiribati	71 800	690	3 350	654
Nauru	9 300	21	320	8 000(GNP)
Niue	2 500	259	390	1 600
Tokelau	1 800	10	290	NA
Tonga	96 300	747	700	1 256
Tuvalu	10 200	26	900	767
Wallis and Futuna	13 700	255	300	NA
Western Samoa	157 700	2 935	120	939

Sources: As for table 1

Table 5 Entities of 'American' Micronesia - basic data

ENTITY	POPULATION (mid-1990)	LAND AREA (square kilometres)	SEA AREA ('000 square kilometres)	GDP PER CAPITA* (circa 1900)
Federated States of Micronesia	101 200	701	2 978	1 600
Guam	133 400	541	218	12 334
Republic of the Marshall Islands	46 200	181	2 131	1 514
Commonwealth of the Northern Mariana Islands	44 200	471	777	11 558
Palau	15 200	488	629	3 400

Sources: As for table 1

Table 6 Australian aid flows to Papua New Guinea and the Pacific island states, financial year 1994-95

Region/countries	A\$ Million
Papua New Guinea	327.1
Other Pacific island countries	
Fiji	21.3
Vanuatu	15.3
Solomon Islands	14.0
Western Samoa	12.1
Tonga	10.6
Kiribati	6.4
Nauru	3.0
Tuvalu	2.4
Other and regional	48.2
Total Pacific island countries (not including Papua New Guinea)	133.5
Total including Papua New Guinea	460.6

Source: Australian International Development Assistance Bureau (now AUSAID), *Aid 94-95: Budget Summary*, Canberra: 1995, p. 4.

Preface

The author has published widely on Pacific islands affairs, and has drawn on and developed some of this material in preparing this paper.

In addition to press and journal articles, his publications include: *France and the South Pacific. A contemporary history*, (Sydney: Allen and Unwin, Australia/ Honolulu: University of Hawaii Press, 1992) *The Pacific Island States: Security and Sovereignty in the Post-Cold War World*, (MacMillan, United Kingdom, in press: to be published October 1995); Stephen Henningham and Desmond Ball (eds), *South Pacific Security: Issues and Perspectives*, (Canberra: Strategic and Defence Studies Centre, Canberra Papers on Strategy and Defence 72, 1991); and Stephen Henningham and R.J.May (eds), *Resources, Development, and Politics in the Pacific Islands*, (Bathurst: Crawford House Press, 1992).

He takes full responsibility for the contents of this paper, but is grateful to Frank Frost, Stephen Sherlock, and Derek Woolner for their constructive criticisms of earlier drafts. He has also benefited greatly from discussions with colleagues at the Australian National University.

Major Issues

Australia has diplomatic and security interests in the Pacific islands, and many Australians have a sense of association with the islands region. Meanwhile the international community expects Australia to play a prominent and constructive role in the region. Yet most Australians, including many in senior positions, have only a vague, 'picture postcard' image of the Pacific island states and territories.

Australians need to be more fully aware of the complexity and diversity of this region, and of current issues and trends there, because over the next decade the region is likely to throw up policy questions to which there will often be no easy answers.

The fourteen Pacific island states operate on a small scale, and are still much influenced by their colonial heritage. The islands region is highly diverse, local identities are strong, and national cohesion is in several instances weak. The economies of the region vary, but are generally vulnerable. Several of the smaller states lack the capacity to become economically self-reliant.

The island states have varied security and defence importance, but overall their strategic significance has declined because of the end of the Cold War and because of improvements in transport and communications. Their external relations have become more diversified in recent years, but their dependence on long-established patterns of interaction with their former colonial administrators generally remains strong. Since the end of the Cold War the United States and the United Kingdom have diminished sharply their involvement in regional affairs, whereas the involvement of various East Asian powers has continued. For its part, France retains a significant though controversial presence.

The region may be considered as comprising three sub-regions: Melanesia the most important for Australia (including Papua New Guinea, Solomon Islands, and Vanuatu) and Fiji, Polynesia and 'Commonwealth' Micronesia, and 'American' Micronesia. Despite their diversity, the island states have seen advantage in regional cooperation, notably via the South Pacific Forum, the body which brings together the island states and Australia and New Zealand.

Longer-term Australian interest in the region has been primarily strategic, though some economic and other interests have also been involved. Australia has sought to encourage stability and peaceful change. It is a major aid donor, both multilaterally and bilaterally. In financial year 1994-95 Australian aid to the region totalled 460 million dollars. Australia also assists the island states through defence co operation. Australia's main economic relationships are with countries outside the Pacific islands region, and its trade with most of the countries of the region is minimal. But Australia has significant investment and trading interests in Papua New Guinea.

Australia has significant influence on the island states, but there are also important limits and restraints on that influence. These include the international legal and normative context, wherein the sovereignty and independence of these states is upheld, the presence and activities of the South Pacific Forum and other regional bodies, the diversity and complexity of the region, the intractability of the developmental and other problems in some island states, the increased assertiveness in recent years of the island governments, and the domestic context in Australia.

In the absence of intra-regional and external military threats, the main security problems of the island states are internal. The island governments are strongly opposed to the resumption of French underground nuclear testing, and are concerned about other nuclear issues. They are also concerned by environmental and resource issues, including the possible threat, should sea levels rise as a result of global warming, to the very survival of some of the island states. They give a high priority to decolonisation issues, and are sympathetic to the claims of indigenous peoples. They will be following developments in the French Pacific territories closely over the next few years, especially as the 1998 referendum in New Caledonia on that territory's future draws closer. They are adjusting to the changed and fluid circumstances of the post-Cold War era, and have been obliged to accept a downwards trend in external aid levels.

Australia is likely to face several challenges in the Pacific islands region over the next decade. Australia will need to maintain an active and constructive diplomatic engagement with the region, especially with the states of the Melanesia and Fiji sub-region. It will need to work constructively with other powers, including Japan and other East Asian powers, New Zealand, and - in due course - France.

Economic development problems are set to be a major preoccupation. Processes of economic and social change will bring major tensions in some countries, straining their weak institutional capacities, so it will be important to continue efforts to strengthen these capacities.

No single policy approach will necessarily be effective, given the diversity of the region, the poor overall levels of entrepreneurial and other skills, and the limited resources of some states.

Environmental, resource, and nuclear issues will remain important. Australia will encounter criticism that it should be doing more to reduce industrial emissions, because of island country concern over global warming. Australia also faces the challenge of effectively encouraging responsible resource exploitation, to lay the basis for sustainable development. It will also need to maintain pressure on France for a comprehensive, independent and international enquiry into the health and environmental implications of the underground tests.

Australia may encounter increased pressure for migration from the region, because of the effects of global warming, because of the wish to seek work and improve skills in Australia, and possibly because of internal unrest. Internal security problems could emerge in one or more of the island states. Australia has an important role to play in improving policing capabilities. In highly special circumstances, particularly if Australian citizens are under threat, it may be necessary to consider short-term direct intervention. Where possible, however, paramilitary police intervention should be preferred to military involvement.

The island states are likely to face some difficult years and several hard decisions over the next decade. Much of the heavy responsibility of building a better future, in a complex and fast-changing world, will reside with their political and community leaders. But Australia has a significant role to play. It will fulfill this role most effectively if its political leaders and the wider community are well-informed about the region, are conscious of the limits and constraints on Australian influence, and are aware of the main policy challenges which seem likely to arise.

Introduction : The Pacific Islands amid the waves of change

Australians have a sense of association with the Pacific islands region. When condemning French plans to resume underground nuclear testing, for example, they have routinely and unreflectively complained that the tests are to be held in 'our backyard', even though the test sites in French Polynesia are further away from Australia than Auckland is from Perth.

Yet except among a small number of people with special interests in the Pacific islands region, knowledge and understanding among Australians of 'our backyard' is mostly sketchy. For their part, many Pacific islanders regard the 'our backyard' notion as patronising. For most members of the Australian public, and for many Australians in senior positions, the small countries of the region are possible destinations for tourism, and little more.

Despite such relative indifference, the region is inescapably relevant to Australian security and political interests. Several of its islands are adjacent to important lines of communication between Australia and the countries of Northeast Asia, its leading economic partners, and the United States, its major ally. The region also has some political importance, notably with respect to Australia's former colony, Papua New Guinea, the largest and most populous island state. In an increasingly inter-dependent world, it is in Australia's interest that its neighbours be at least neutral or better still, positively disposed towards it.

For its part, the international community expects Australia to play a constructive role in assisting its small, poor neighbours to become more economically self-reliant. And Australia's prominent role in the South Pacific Forum - the regional body which unites Australia, New Zealand, and the Pacific island states - adds to Australia's standing and influence in the Asia-Pacific region and the wider world.

This paper considers issues and trends in the Pacific islands region, and examines their implications for Australia. The paper reviews the main characteristics of the Pacific island states, going into some detail in view of the modest level of general awareness of the region. It suggests that the island states may usefully be considered as members of three sub-groupings, of which the most important to Australia consists of Melanesia (including Papua New Guinea, the Solomon Islands, and Vanuatu) and Fiji. The paper then discusses

Australia's interests and involvement in the region, examines the limits and constraints on Australian influence, considers current issues and trends, and reviews what seem to be the prospective challenges to Australia with respect to its relations with the region.

The region under consideration was one of the last parts of the world to be decolonised, and a substantial minority of the entities in the region continue to be dependent territories. Beginning with Western Samoa in 1962, however, and concluding with Palau in 1994, fourteen small island states eventually emerged. These new states have maintained close connections with the 'Western' and associated nations. In contrast to some other regions of the developing world, constitutional and more or less democratic forms of government have mostly been present among them. During the Cold War era, tendencies to 'non-alignment' were muted. Soviet overtures to the island states were in most instances rebuffed, especially following the invasion of Afghanistan in December 1979.

But in the mid and late-1980s, the region became more unsettled. The key developments included the following. The conflict in New Caledonia between the Kanak nationalist movement and its opponents erupted in violence; the United States/New Zealand leg of the ANZUS (Australia-New Zealand-United States) treaty relationship ceased to operate; two coups took place in Fiji in 1987, ending what had been presented as an example of multiracial and democratic harmony; the constitutional arrangements established at the time of independence came under question in several other states; French agents blew up the Greenpeace vessel *Rainbow Warrior* in Auckland harbour, causing one death; and external powers with no traditional links with the region - including the (then) Soviet Union and Libya - showed heightened interest.

Meanwhile the predominance formerly exercised in much of the region by Australia was reduced by its other concerns, by increased assertiveness on the part of the island states, and by increased attention to these states, at least for some years, by various external powers. In addition a major revolt erupted on Bougainville island in the North Solomons province of Papua New Guinea, and the economic problems of several island states worsened.

Then, from around 1990, changes in the wider world, especially the end of the Cold War and the increasing economic dynamism of Northeast and Southeast Asia, embodied new challenges. Henceforth the island states were obliged to respond to the implications of the end of superpower rivalry, of increasing multipolarity, of the enhanced influence of international and regional organisations and of international law, of the transformation in international communications, and of the greater emphasis on economic issues in international affairs.

As a result of these various changes, the Pacific islands region ceased to be a place apart. The region had become less insulated from the wider world. And its similarities to some

other parts of the developing world had become both more pronounced and more evident. Nowadays, the Pacific islands are very subject to the waves of change. Environmentally, the very existence of some of them may be threatened by global warming. Economically, their chronic problems mostly imply continued dependence. Politically and constitutionally, they are seeking to merge new institutions and ideas with old customs and values. And strategically, they are no longer subject to the 'strategic denial' umbrella of the Cold War era and are increasingly open to ripple effects from trends and developments in Northeast Asia, Southeast Asia, and the wider world. With the end of the Cold War era, the strategic importance of the Pacific islands region in the wider Asia-Pacific context, which already had been relatively modest, rapidly dwindled, helping reduce the interest and involvement of the United States and the United Kingdom.

Many of these changes were inevitable. Some were for the better. The overall outcome however was that the region had become more politically complex and in some respects more potentially volatile.

The Pacific Island states: diversity but common interests

For most Australians the phrase 'the Pacific islands' still mostly prompts images of swaying palms, sparkling lagoons, suns setting into tropical seas, and happy smiling 'natives'. But beyond the picture postcard and tourist brochure image, the Pacific islands region is diverse and complex. This diversity often makes it difficult to generalise about the Pacific island states. The main characteristics of the region are as follows.

A maritime region

Less than three per cent of the Pacific islands region is land. This land is fragmented into thousands of islands, distributed across a vast area (map 1).

Small scale

The island states are relatively small in population and land area (table 1). In 1990, apart from Papua New Guinea with its then population of 3.5 million, Fiji (population: 725 000), and the Solomon Islands (population: 324 000), all the island states had populations of less than 160 000, ranging from Western Samoa (157 700) to Niue (2 500). The average (arithmetic mean) population of the island states was just over 400 000. If Papua New Guinea is excluded, the arithmetic mean was some 130 000. In the range from Papua New Guinea down to Niue, the median state was Tonga, with a population of just under 100 000.¹ The average land area of the island states is some 4 000 square kilometres.

A colonial heritage

Western navigators and those who followed them ended the previous isolation of the peoples of the Pacific islands from the wider world. At first, contacts with the newcomers were sporadic, except in Guam and nearby islands where Spain established a presence from the 1680s. From around 1800 however Western missionary, commercial, beachcomber, and official involvement in the region increased. Islander leaders and communities at times played one power off against another, but the longer-term advantage lay with the outsiders.

By the first decade of the twentieth century, all of the islands of the region had become colonies or protectorates of the Western powers. The relations of island communities with the exterior were henceforth shaped by their connection with one or another colonial power. British involvement was substantial, either directly or through its dominions of Australia and New Zealand, but other powers were also present. These patterns of domination were amended from time to time by shifts in the fortunes and policies of the colonial powers.²

From the early 1960s most of the colonial powers began to diminish their control. Pressures for change came mostly from outside the islands region; nationalist and autonomist movements were present in only a few places. The tide of decolonisation that had previously swept through Asia and Africa began to trickle through the Pacific islands (table 2). The first new state to emerge was Western Samoa: in 1962 it became independent from New Zealand, which had ruled it since the First World War. Over the next two decades, Australia, New Zealand and the United Kingdom established self-government in their possessions in the region, and then transferred sovereignty to almost all of them.

These three colonial powers had responded to changing domestic and international climates of opinion about colonial rule. They had also reached the conclusion that the costs and inconveniences of maintaining their rule generally outweighed the advantages. By 1980, when the former Anglo-French Condominium of the New Hebrides became independent as the Republic of Vanuatu, eleven states had emerged. They included two, namely the Cook Islands and Niue, which were independent in 'free association' with New Zealand.

In contrast, France continued to believe in the benefits of maintaining its control, especially because of the importance to it of its nuclear testing facilities in French Polynesia. It resisted the momentum towards independence in the New Hebrides. It retained its three territories, despite the challenge to its position in New Caledonia in the late 1970s and the 1980s from the Melanesian Kanak nationalist movement.

For its part the United States wished to secure its strategic interests in Micronesia, but initiated processes of self-determination in the components of its Trust Territory of the Pacific Islands. The Northern Mariana islands opted to become a self-governing 'Commonwealth' of the United States. The Marshall Islands and the Federated States of Micronesia entered into Compacts of Free Association, which made them (more or less) independent in 'free association' with the United States. The United Nations Security Council endorsed the new status of these three entities in December 1990. But efforts to reach a settlement with Palau (Belau) were delayed until 1994 because that entity's 'nuclear free' constitution was in conflict with United States defence requirements.

Varying levels of sovereignty

The island states consist of nine states which have full political independence, along with five states whose independence is qualified under special arrangements with the former colonial power. The fully independent states are Western Samoa (independent in 1962), Nauru (1968), Fiji (1970), Tonga (1970), Papua New Guinea (1975), Solomon Islands (1978), Tuvalu (1978), Kiribati (1979), and Vanuatu (1980).

The five states whose independence is in some respects qualified are the Republic of the Marshall Islands and the Federated States of Micronesia, which entered their Compacts of Free Association with the United States in 1986; Palau, which entered a similar Compact arrangement in late 1994; and the Cook Islands and Niue, which became states in 'free association' with New Zealand in 1965 and 1974 respectively. The links of these states with external powers have sometimes constrained their international acceptance.³

These states are nonetheless recognized as independent actors in regional affairs, and are members, along with the other island states, of the South Pacific Forum, the annual meeting of regional heads of government. Over the next decade or so, broadly similar forms of 'free association' may also provide solutions to the constitutional future of the French Pacific territories of New Caledonia and French Polynesia, and possibly also of Bougainville and the adjacent islands which comprise the North Solomons province of Papua New Guinea.

Strong links with former administering powers

Established patterns of aid, trade, investment, and, in some instances, migration have tended to endure, as have institutional frameworks. The 'Compact of Free Association' states are closely linked to the United States. Western Samoa, the Cook Islands, and Niue have maintained close connections with New Zealand, including by substantial migration. Australian aid to Papua New Guinea comprised half of the new state's government revenue for the first few years after independence in 1975. As of the early 1990s, it still comprised around a seventh.

The presence of several dependent entities

These entities include the Indonesian province of Irian Jaya, the three French territories of New Caledonia, French Polynesia, and Wallis and Futuna, the United States territories of Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa, and the New Zealand territory of Tokelau. With the exception of Irian Jaya, which the Indonesian government does not regard as forming part of the Pacific islands region, all of these entities are members, along with the island states, of the South Pacific Commission, the

regional economic development organisation (discussed below). Most of these entities exercise a considerable measure of self-government.

Local traditions, democracy, and the rule of law

Island leaders mostly set great store on traditional ways of leadership and conflict management, although at times appeals to tradition and custom provide a convenient rationale for the protection of vested interests. Constitutional rule and liberal institutions are generally well established, but traditional values and customs are often given formal recognition in constitutions and legislation. These values and customs have a strong influence on how government and society operate. In Papua New Guinea, most parliamentarians regard themselves as representing themselves and their own kin and clan group supporters, rather than their electorate and the wider public. The other island states include the 'elected oligarchy' of Western Samoa, wherein all adults can vote but only those of chiefly rank can stand for office, and the neo traditional monarchy of Tonga, in which the king and his government are accountable in only a modest fashion to the electorate. They also include the Republic of Fiji, in which the political system established following the 1987 coups, privileges Fijian chiefs and rural Fijians in order to help ensure overall Fijian dominance, to the disadvantage of the Indian community and urban residents.

Ethnic and cultural diversity

Following ripples of settlement over many centuries, the indigenous population of the Pacific islands region is diverse. It is conventionally, though somewhat simplistically, divided into three broad categories: the Micronesians of the northern islands; the Polynesians of the eastern islands; and the Melanesians of the western islands (map 2). Between these broad categories, there are significant connections and similarities; within them, there is extensive internal social and cultural differentiation, on linguistic, community, regional and other lines, especially in Micronesia and Melanesia. Fiji comprises a transition zone between Melanesia and Polynesia, and the indigenous Fijians have both Melanesian and Polynesian affinities.

Significant non-indigenous groups are also present in the region, notably the Fiji Indians or 'Indo-Fijians', who comprise just under half of the population of Fiji; the people of European descent who form a third of the population in New Caledonia; the Filipinos and Japanese in parts of American Micronesia; the immigrants to Irian Jaya from other Indonesian provinces; and the tiny but commercially significant Chinese communities in several states and territories.

Strong local identities, and weak national cohesion

Before the colonial era, political units were small, fluid and often at odds. The hill forts on the Polynesian island of Rapa, which is now part of French Polynesia, attest to chronic feuding between rival chiefdoms. In Melanesia, linguistic diversity prevails. In the archipelago of the New Hebrides (now Vanuatu), for example, some 100 languages were present in the nineteenth century, of which about 80 are still in use, providing a focus for distinct identity. Throughout the island states and territories, people identify strongly with their kin group and native place. Their commitment to the overarching political unit within which they find themselves is often weak, in part because most of these units were only recently invented.

Economic diversity and vulnerability.

Despite some similarities, the economies of the island states also vary, because of differences in scale, resource base and historical background. These 'developing' economies contrast with the modern market economies of the neighbouring states of Australia and New Zealand. The subsistence sectors of the island state economies can generally provide adequate standards of nourishment and shelter. Absolute poverty has been rare, but is increasing because of urban drift and the decay of communal traditions.

Overall, the island states are gravely handicapped by their distance from markets, by poor transport and communications, by the impact of cyclones and other natural disasters, by their limited range of exports, by their lack of economies of scale, and by stiff competition in world markets from other suppliers of the commodities which they can produce. They are price takers not price makers. They have suffered from long term downward tendencies in commodity prices, combined with upturns in the prices of fuel and other essential imports. The island states rely on aid, in most instances to a large extent, for the provision of modern infrastructure and services, and for measures intended to modernize their economies.⁴

Yet there are significant differences between the island state economies. The more populous and resource rich states of Melanesia and Fiji have the potential to become economically self-reliant, provided internal political problems can be contained, whereas most of the other states - except, for the time being, phosphate-rich Nauru - seem destined to remain aid-dependent indefinitely.

The island states have put special emphasis on the actual and potential resources of their exclusive economic zones (EEZs - see map 3). But for most island states, high costs, the lack of infrastructure and skilled personnel, and variations in the migratory movements of

the main fish stocks have blighted early hopes of high returns. Efforts to establish domestic fishing industries have generally had disappointing results, and the main return for island states from the resource have comprised licence fees paid by foreign fishing fleets.

In the longer-term, the island states may benefit from the exploitation of seabed and marine mineral resources within their EEZs. But undersea mining faces technical, cost and environmental constraints. It is unlikely to begin before the early decades of the next century, if then, and will require massive capital investment. Rather than exploiting them directly, the most the island states can hope for are rental returns on these resources.⁵

'Juridical' rather than 'empirical' entities

The emergence of the island states as sovereign entities despite their lack of cohesion and/or their economic weakness needs to be put in historical perspective. As Robert H. Jackson points out, the transition of these former colonies, and of many colonies elsewhere, to independence resulted much more from changes in international morality and international law than from internal pressures.⁶

Up until the Second World War it was widely accepted among the great (mostly European) powers that these powers and in some instances their former settler colonies had the right to rule peoples and territories acquired by conquest and cession. From the end of the war onwards, however, the way was opened for the decolonization of almost all of the former colonies and protectorates. Egalitarian, democratic, anti-colonial and anti-racist convictions strengthened; support grew for the self-determination of subject populations; the European powers displayed reduced strength and/or will; and nationalist movements gathered strength and eventually triumphed in several imperial possessions, notably in the Dutch East Indies, India, and French Indochina. The trend gathered momentum as numerous new states joined the United Nations.

In the 1950s administrators in most of the island territories generally thought that independence was a distant or else unattainable goal. From the 1960s, however, views and policies changed. As noted earlier, the United Kingdom and its former dominions of Australia and New Zealand arranged for the transition to independence or else 'free association' of their island possessions. Meanwhile the United States arranged for a transition to self-government and either integration or 'free association' for the components of its trust territory in Micronesia. France alone resisted the trend, assisted by the presence of an immigrant majority in New Caledonia and motivated in part by the strategic importance to it of its nuclear testing sites in French Polynesia. In the Anglo-French Condominium of the New Hebrides, France obstructed whereas the United Kingdom encouraged a transition to independence.

Several of these new states, in the Pacific islands region and elsewhere, consisted: '... not of self-standing structures with domestic foundations - like separate buildings - but of territorial jurisdictions supported from above by international law and material aid - a kind of international safety net. In short, they often appear to be juridical more than empirical entities...' ⁷ (That is, their legal identity is not necessarily complemented by an ability to act in full independence as sovereign states, without reliance on external aid and other support). The Pacific island states possess 'negative sovereignty' in the sense of enjoying formal rights of non-intervention and other international immunities. Some of them trade on their sovereignty, earning revenue by selling stamps and operating tax havens and flags of convenience. Several of them however do not possess the 'positive sovereignty' held by older, more developed and more fully-established and self-reliant states, in the sense of the wherewithal on the basis of their own resources and cohesion to deter intervention, to play a relatively individual and independent part in international affairs, and to provide socioeconomic welfare. ⁸

Varied security and defence importance

During the Second World War, the island groups in the region became of strategic significance to Japan and its adversaries. Many of the islands in the north and west of the region were directly affected by the hostilities. Other islands more remote from the centres of conflict became supply and staging bases. Since the war, the importance of the islands as 'stepping stones' has declined because improvements in transport and communications now permit military operations to be more easily mounted over longer distances. But, as discussed below, the various entities presently or formerly under American administration in Micronesia have retained substantial wider strategic importance, while some of the other island groups have some strategic significance.

Indeed, in the case of the atolls of Moruroa and Fangataufa in French Polynesia, their very remoteness and isolation encouraged their selection in the late 1950s as sites for the French nuclear testing program. For their part the United States and the United Kingdom, in the period from the late 1940s to the early 1960s, had chosen remote locations in Micronesia and Polynesia as nuclear test sites. As Stewart Firth comments with respect to a testing site in the Marshall Islands, 'Remoteness, which had once served to insulate Bikini atoll from the rest of the world, now made it the centrepiece of American military action. To the people of Bikini, who numbered 160 in 1946 [and who were relocated before testing began], their atoll was not remote. It was home, the centre of all they knew.' ⁹

A changing pattern of external relations

Since the end of the Cold War, the pattern of external relations has evolved. United States interest, outside of its own territories and of the three Micronesian states with which it has a 'free association' relationship, has declined sharply. British interest has been modest for years and is now declining further. Japan has not maintained the heightened interest it demonstrated during the final years of the Cold War period, but continues to have some presence, as a by-product of its prominence in the wider Asia-Pacific region. China and Taiwan are both maintaining some interest in the region, though at a modest level overall, and do not appear inclined to raise their respective profiles.

Indonesia and Malaysia have shown some increased interest in the region in recent years, but primarily in Papua New Guinea. Private commercial interests from these countries have been involved in logging and other activities in Papua New Guinea and other Melanesian countries, often controversially. But while links between the Pacific islands region and these and other Southeast Asian countries can be expected to develop further, these countries are unlikely to become significant aid donors to the region, or to seek to play a leading part in influencing regional politics.

France remains a significant actor with respect to Pacific islands affairs. It maintains control over three territories: New Caledonia, Wallis and Futuna, and French Polynesia. Most of its aid goes to these entities, but it also provides over A\$ 50 million in aid to the rest of the region annually, either directly or via multilateral channels.

France regards itself as being a legitimate participant in regional affairs because of its territorial presence, but island governments at times question this assumption. Relations between France and the island states were difficult in the mid-1980s because of differences over New Caledonia and nuclear testing. They improved following the establishment of an interim peace in New Caledonia under the Matignon Accords of 1988, and following France's suspension of its nuclear tests in April 1992. But the announcement by the French government in June 1995 that it intended to resume its underground testing program has led to new tensions. Assuming they go ahead as planned, the nuclear tests will be over by May 1996. But the damage done to France's relations with the island states may take considerably longer to repair.

Three sub-regions

Given their diversity, it is often difficult to generalise about the island states and territories. For the purposes of our examination, from an Australian perspective, of the region, and on the basis of the location and general features of the island states and

territories, they may be grouped, along with their surrounding ocean areas, into three sub-regions: Melanesia and Fiji, Polynesia and 'Commonwealth' Micronesia, and 'American' Micronesia (map 4).¹⁰

Among these sub-regions, Melanesia and Fiji is the most important to Australia. In addition to Fiji, the components of the 'Melanesia and Fiji' sub-region consist of the states of Papua New Guinea, the Solomon Islands, and Vanuatu, and the French territory of New Caledonia (table 3). The Indonesian province of Irian Jaya may also be regarded as being, in some respects, part of this sub-region. These entities are located to the west of the region. Overall they are by far the largest of the various island entities in land area, resource base, and population. They have considerable strategic importance, especially for Australia and New Zealand, because of their location close to the Australian continent and adjacent to lines of communication between Australasia and Northeast Asia and the United States. Although they are all aid recipients, they also have a broad range of resources, which should permit them in the longer-term to attain a substantial measure of economic self-reliance, provided political problems can be contained.

The states and territories of Polynesia and 'Commonwealth' Micronesia (table 4), are located in the north and the east of the region. These entities generally have greater political coherence but fewer economic resources and higher levels of aid-dependence than their neighbours in the Melanesia and Fiji sub-region. The entities in this sub-region include the Polynesian states of the Cook Islands, Tonga, Western Samoa, and Niue, as well as several dependent territories in the Polynesian cultural zone, namely the American territory of American Samoa, the New Zealand territory of Tokelau, and the French territories of Wallis and Futuna and of French Polynesia. In addition the sub-region includes the 'Commonwealth' Micronesian states of Kiribati and Nauru. These latter two states are culturally primarily Micronesian. I have employed the adjective 'Commonwealth' with respect to them to indicate that they formerly were part of the British imperial system, and are now associated with the Commonwealth.¹¹

The scanty resources of the entities of Polynesia and Commonwealth Micronesia include their labour power. Some of them maintain economic equilibrium and reasonable living standards in large part because of remittances from communities living and working abroad. Their remoteness, small size, and limited resources mostly mean that they have little wider strategic significance, except insofar as the remoteness of some of the islands in the sub-region has made them attractive to external powers as nuclear test sites.

Nauru is at present a special case among these entities, because of its phosphate deposits. But the phosphate will run out over the next decade or so, leaving severe ecological damage. A decline in living standards seems inevitable, the severity of which will depend on the wisdom and good fortune with which the phosphate profits have been invested. Although returns on invested wealth will help sustain the economy, in the absence of other

resources Nauru is likely to become a significant recipient of aid. In the post-phosphate era, Nauru can be expected to become more like the other smaller island states.

'American' Micronesia is located in the northwest of the region. Its components are those island groups in the Micronesian cultural zone which are presently or were formerly under United States rule (table 5). The United States wrested control of these islands from Japan during the latter years of the Second World War. The sub-region comprises three (more or less) independent states, namely the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau (Belau). It also includes the dependent territories of Guam and the Northern Marianas.

These various entities have strategic significance for the United States and its allies and associates because they are located adjacent to key lines of communication between the United States and Asia. The United States maintains defence facilities in both Guam - which has an excellent harbour - and in the Northern Marianas. In addition, it conducts its intercontinental ballistic missile testing program in the Marshall Islands, firing the missiles from Vandenberg Air Force Base in California to Kwajalein atoll. The United States also plans to develop a program to test missile defence systems in the Marshall Islands.

The reforms within and then the disintegration of the Soviet Union ended the importance of the American Micronesian states and territories in relation to superpower conflict. But they remain important with respect to the involvement of the United States in the Asia-Pacific region and to its missile testing program. These entities have few natural resources, and receive substantial funding from the United States.

Connections despite diversity - the 'Pacific Way'

Despite the diversity of the island states and territories, there are also close connections between them. Their governments are aware of common characteristics and interests. In culture and ways of life, there are important similarities between the island peoples of the region. Christian missionaries had a major influence in the islands, converting most of their populations, at least nominally, and establishing the first educational and health services. The churches continue to play an important part. The élites of the region are narrow. Links between them have been strengthened through similar backgrounds of education, often in church schools, followed by higher education at the University of the South Pacific, the University of Papua New Guinea, or in the United States, Australia or New Zealand.

All the island states are former colonies or protectorates of Australia, New Zealand, the United Kingdom, or the United States, except for Vanuatu, which formerly was the Anglo-French Condominium of the New Hebrides. This background has left broad similarities in institutions and élite attitudes. Ideological and religious differences between and within

states are generally either not present or else are of limited wider political importance, and thus are not a factor in regional relations. With the exception of Vanuatu, the transitions to independence were mostly amicable, encouraging the maintenance of strong connections with the former administering powers.

The governments of the island states and territories have expressed their sense of common interests and have sought to increase their economic well being through regional co-operation. This interaction has reinforced a sense of common identity and interests. There are limits to what can be achieved within the region, because the island state economies lack complementarity, and because island governments have been jealous of their independence - notably, for example, with respect to civil aviation in the region. But the island governments have recognised benefits in scientific and technical exchange and cooperation, and advantages in presenting a common front on political and security issues.

Indigenous traditions, especially in Polynesia, favouring the consensus resolution of disputes have encouraged this emphasis on co-operation. Island leaders have referred to a 'Pacific Way', whereby issues are talked through in an unhurried fashion in informal meetings, in pursuit of a consensus acceptable to all involved. This commitment to co-operation has been strengthened because the individual island states lack the resources to set up a network of diplomatic posts and to engage in extensive bilateral diplomacy.

The two key regional organisations are the South Pacific Commission and the South Pacific Forum. The South Pacific Commission (SPC) was founded in 1947 by the colonial and administering powers, namely Australia, France, Great Britain, the Netherlands, New Zealand and the United States. (The Netherlands withdrew in 1962, after Irian Jaya's incorporation into Indonesia.)

Nowadays the SPC comprises the independent island states as well as the dependent entities in the region, apart from Irian Jaya, as well as the present and former administering powers of the post-war era, except for the Netherlands. In late 1993, however, the United Kingdom advised that it intended to leave the Commission. At the time of its formation, France and the Netherlands had insisted that the SPC should not concern itself with political questions. When the former colonies in the region attained independence from 1962 onwards, their leaders expressed frustration with this constraint.

In 1971, in part in a response to this frustration, the independent and self-governing island states formed the South Pacific Forum. Realizing however that their influence on their own would be limited, they at that time also invited their large neighbours Australia and New Zealand to join. The Forum has operated through annual meetings of the heads of government of the member states, at which issues of concern are considered. Between meetings, the Forum Secretariat (formerly SPEC the South Pacific Economic Cooperation Bureau) provides continuity and acts on Forum decisions.

Both the Forum and the SPC have focused on economic co-operation and development. But political and security issues have also surfaced on the Forum's agenda and have been discussed in the corridors at SPC meetings.¹²

Australia and the Pacific islands region

Overview

Longer-term Australian interest in the Pacific islands region has been primarily strategic, although commercial and other motives and ambitions have also been present. In the 19th century political and opinion leaders in the Australian colonies were anxious about the activities of the great powers, other than Great Britain. As well as being concerned over possible threats to Australian territory, they also wanted the South West Pacific to be a 'British' preserve.

Agitation from the Australian colonies prompted a reluctant Britain to thwart French ambitions in the New Hebrides (now Vanuatu). Britain's involvement led eventually to the establishment of a joint Anglo-French Condominium over this archipelago in 1907. Australia and New Zealand supported the establishment of a British protectorate the south-eastern New Guinea in 1884, following Germany's establishment of a protectorate over the north-eastern part of the island and neighbouring islands. At the outset of the First World War, Australian forces took over German New Guinea. From then on Australia administered the trust territory of New Guinea along with the territory of Papua (formerly British New Guinea) over which it had been granted control in 1906. The two colonies were merged into Papua New Guinea after the Second World War.

During the Second World War, the threat of Japanese landings in northern Australia were only averted at heavy human and material cost, and the Pacific islands briefly were of great strategic importance. After the American and allied victory, Australian interest in the region receded, although H.V. Evatt, Australian Minister for External Affairs in the immediate post-war period, took a leading part in the formation of the South Pacific Commission. Until the 1970s, Australia's concerns over its immediate surrounds, concentrated on Southeast and Northeast Asia. The Pacific islands region was largely ignored. Despite misgivings over Indonesia's incorporation of Dutch New Guinea, (after 1962), Australia acquiesced when it became clear that neither Britain or the United States would support it in opposition to Indonesia over this issue.

But as the decolonisation of the island territories got underway, beginning with Western Samoa in 1962, the emergence of a variety of micro-states drew some attention to the region. This interest was increased by probings by the Soviet Union, and by the declaration of the Law of the Sea in 1982, and its subsequent ratification, which permitted island countries to claim 200-nautical mile Exclusive Economic Zones (EEZs).

Australia has sought to encourage stability and peaceful change in the Pacific islands region. It is a major aid donor to the region, both multilaterally and bilaterally. It is the leading donor to the South Pacific Commission and contributes to other regional organisations. Australia's aid to Papua New Guinea at present comprises one seventh of that country's annual government income, and historically it has been the leading donor to most of the Pacific island countries. Australia also assists the island states through defence co operation, including by provision of training and equipment. Through RAAF and RAN patrols, it contributes to the aerial and naval surveillance of island country EEZs. To further assist the island countries monitor their EEZs, Australia has provided 12 patrol boats, and is contributing to their maintenance and running costs.¹³

Until the mid 1980s the key theme of Australian policy for the Pacific islands region was that of the strategic denial of the region to powers which were likely to act against broad Western interests.¹⁴ This approach was expressed in efforts to keep the Soviet Union from developing a presence in the region and in concern over Libyan activities. The strategic denial approach was suspended in the late 1980s because of the changes in Soviet policy during President Gorbachev's era, and because of a waning in Libyan interest. In addition the Australian government recognised that the island states had become less amenable to advice on their external affairs.

Since around 1990 Australia has put its emphasis on demonstrating and implementing a 'constructive commitment' to the region by acting as a friendly and supportive partner to the island countries.¹⁵ In particular it has taken an active role in the South Pacific Forum, the regional body comprising the island states and Australia and New Zealand. In the circumstances of the post-Cold War era, Australian policy with respect to the region has given increased emphasis to economic development and environmental matters, as was evident at the 1994 meeting of the South Pacific Forum, which was held in Brisbane in late July - early August of that year.

Australia's main economic relationships are with countries outside the Pacific Islands region, and its trade with most of the countries of the region is minimal. Australian exports to the Pacific island countries characteristically amount to less than three per cent of its total exports, while Australia's imports from these countries amounts to less than one per cent of its total imports.¹⁶ But Australia has significant trading and investment interests in Papua New Guinea, amounting to approximately one billion dollars. Investment in Papua New Guinea could increase further as resource projects are developed, although land,

compensation and environmental problems are likely to continue. Australia is also the leading aid donor to the Melanesia and Fiji and the Polynesia and Commonwealth Micronesia sub-regions. In financial year 1994-95 Australia provided 330 million dollars in aid to Papua New Guinea, and an additional 130 million dollars to other Pacific islands countries and to Pacific islands multilateral projects (table 6).¹⁷

Limits and restraints on Australian influence

In terms of population and land area, wealth and economic development, international influence and military capabilities, Australia would seem to dwarf the island states. Nonetheless its overall capacity to influence these states is subject to several limits and restraints. These may for convenience be considered in three interrelated contexts, namely international, regional, and domestic.

To appreciate the international context of Australia's relations with the island states, we need to recall the circumstances of their emergence as sovereign entities - despite their lack of cohesion and/or economic weakness. These new states appear to be weak and vulnerable, and thus readily influenced from outside. But despite their apparent vulnerability, their sovereignty is upheld by current international norms and practices. Australia has fully supported the process of decolonisation which has led to the emergence of these new states, and supports their integrity and sovereignty.

In the case of its colonial possessions in the Pacific Islands region, Papua New Guinea and (de facto) Nauru, Australia placed few obstacles, during the latter decades of the post-war era, in the way of decolonisation. With the wisdom of hindsight one can argue that the Labor government of 1972-75 moved hastily, and with inadequate preparation, following decades of neglect by coalition governments, to establish Papua New Guinea as an independent state, in the absence of any substantial Papua New Guinea support for a rapid move in this direction.

Regional Constraints

The regional level limits and restraints on Australia's influence in the region consist in part of the expression at the regional level of the changed international environment. The various regional organisations operating in the Pacific Islands region have emerged in the context of the institutions, norms and attitudes which have become established during since the Second World War. The role of the South Pacific Forum is central, although other regional organisations have some significance.

Australia has strongly and consistently supported these various bodies. These bodies do of course provide mechanisms within which Australia can pursue particular national interests. But their presence and activities also establish restraints on the ways in which those interests are pursued. By acting as a supra-national body, concerning itself with island affairs, the Forum reinforces the legitimacy of even the smallest and weakest of island states, and provides a constraining framework on Australian involvement in regional affairs. This is especially the case because of the Forum's emphasis on the attainment of broadly acceptable consensus positions. If the Forum and other regional organisations were weaker or non-existent, then presumably Australia's capability to exert bilateral pressure and influence would be greater.

The regional-level restraints on the power and influence of Australia also include of course changing circumstances in the region. From the late 1980s, with a new generation coming into power in the island countries, with the erosion of ties to the colonial past, and with island governments seeking to expand and consolidate their sovereignty, a new assertiveness became evident in the stance of several island governments. This development was associated with the questioning of the institutions and arrangements set in place at the time of independence, on the grounds that they are inappropriate to local traditions and customs and to changing circumstances.¹⁸

Island leaderships believe that donor states have an obligation to provide aid to redress historical wrongs and to correct present imbalances. Yet they also resent the dependence of their countries on aid. Their attitudes to Australia and other donor countries are often complex and ambivalent.

They want their countries to diversify their aid and trade partners. In part the aim is to increase the level of assistance. But island leaderships also believe that they can increase their freedom of manoeuvre - and hence the degree, in practical terms, of their political independence - by reducing reliance on any one aid - trade partner.

From the mid-1980s various outside countries and organisations, some of them with few or no previous links with the island states, began to show an interest in developing relations with them. From the late 1980s Japan in particular began to exert increased aid, diplomatic and commercial influence, though its interest has waned since the end of the Cold War. Other East Asian countries have also shown some increased interest. The combination of island state interest in diversifying external relations with expanded external interest has resulted in an increased 'internationalisation' of the region's external links.

The regional community has also become more diverse and complex as new states have emerged. During the 1980s Vanuatu, which attained independence in 1980, often adopted policy stances at odds with those favoured by Australia. More recently the Federated

States of Micronesia and the Republic of the Marshall Islands have become members of the South Pacific Forum, and Palau is expected to join the Forum at its next meeting, in Madang in September 1995. These countries remain closely tied to their former administering power, the United States, and have only insubstantial links with Australia.

Meanwhile Papua New Guinea has suffered increased and increasingly intractable internal problems, including the separatist revolt on Bougainville, law and order problems, and uncertainties about the present and future role of the police and the army. These various problems however are fundamentally too complicated for an external power to resolve, although Australia should be able to assist in their resolution. Accordingly, Australian influence on Papua New Guinea seems likely to diminish, both because Papua New Guinea is becoming more self-reliant and because of the limitations on Australia's ability to assist in the resolution of present problems.

The Australian Domestic Context

Last, but certainly not least, the domestic context of Australia's relations with the island states requires consideration. Since European settlement, most Australians have lived on the eastern seaboard of their vast country. Australia would seem to look towards the Pacific islands region. But the national orientation has mostly been further afield. Towards Britain until the Second World War, and since then, also and increasingly towards the United States, North and Southeast Asia, and Western Europe. For most Australians, the Pacific island states and territories are possible tourist destinations, and little more. For Australian governments, interest in the region has been episodic, although attention heightened in the mid 1980s.

Yet despite public indifference, the Pacific Islands region is inescapably relevant to Australian security and political interests. In recent years the Australian government has maintained its aid programme in the region and has continued to regard regional affairs as important. There is no doubt that, both at government level and in the electorate, a willingness exists to maintain extensive relations with the island countries and to play an active role in regional affairs. What is in doubt, however, is how far Australia aspires to play a dominant role in regional affairs, given the absence for Australia of overwhelmingly compelling economic or strategic interests in the region.

For Australia, the island countries are overall too small and too poor to be major economic partners. Australia's main economic relationships lie elsewhere, and its trade with most of the countries of the region is minimal.

Strategic Issues

Strategically, the island states and territories will always have some importance for Australia, for obvious reasons of relative proximity. This is, for Australia, especially so with respect to Papua New Guinea. Nonetheless the relative strategic importance of the island states and territories in relation to Australia and New Zealand is, under present circumstances, modest.

This issue should be put into historical perspective. During 1992 several commemorations took place to mark the fiftieth anniversaries of some of the major campaigns and battles in the Pacific war. These included the Battle of the Coral Sea, the Papua New Guinea campaign, and the struggle for Guadalcanal and the Solomons. In August 1995, at ceremonies to mark the end of war against Japan, Australians again recalled the campaigns in the islands region.

Reflecting on these dramatic events, one is struck by the great differences in the strategic outlook of Australia with respect to the Pacific Islands between then and now. Japan, then a determined and powerful military aggressor, is now a leading economic partner for Australia. Although there is no lack of territorial, ethnic, and other tensions in the wider Asia-Pacific region, no power or combination of powers exists, there or elsewhere, which seems likely to pursue its ambitions by using the Pacific Islands as 'stepping stones' whereby to threaten Australia militarily. Accordingly no military threat to Australia exists - or seems likely to develop in the foreseeable future - from or through the Pacific Islands region. Meanwhile the importance of strategically-located stepping stones has been reduced - though not removed - by advances in transport and communications.

It is conceivable that military conflict between Indonesia and Papua New Guinea could develop along their common border. The border itself is undisputed, but relations between Papua New Guinea and Indonesia are affected by the resistance within Irian Jaya to incorporation into Indonesia. Opponents of Indonesian rule have often been associated with the OPM (Organisasi Papua Merdeka - Free Papua Movement), a loose, factionalised nationalist movement which sets out to represent a variety of dissident individuals, groups and local communities. OPM militants and their supporters have sought sanctuary across the border in Papua New Guinea, prompting cross border raids by Indonesian patrols.

Although much sympathy exists in Papua New Guinea for the OPM, successive Papua New Guinea governments have wished to maintain good relations with Indonesia. They have declined to support the OPM, and have sought to resolve difficulties through negotiation. In 1987 the Wingti government concluded a 'Treaty of Mutual Respect, Friendship and Co operation' with Indonesia designed to put the relationship on a new and

cordial footing. The present Indonesian regime does not have designs on Papua New Guinea.

Barring the emergence of a new leadership in Indonesia with expansionist ambitions, border tensions between Indonesia and Papua New Guinea are likely to remain low level, and thus are unlikely to pose a wider threat to regional security and stability. Yet should at any stage intermittent tensions escalate into a larger conflict, Australia would in some measure be implicated because of its close links with Papua New Guinea and its self-interest in promoting peace and stability in its northern approaches. But even should tensions sharpen, it seems unlikely that this conflict could spark major hostilities between Indonesia and Australia, unless the stance and ambitions of the Indonesian government changes dramatically and unexpectedly in a more bellicose and expansionist direction.

Meanwhile since at least the mid 1980s Australia has put increased emphasis on military self-reliance and on the effective defence of its land and sea territory, reducing the emphasis on long-distance deployments in support of its allies. One result of this process of reassessment has been that, as a result of an increased focus on territorial defence, the relative strategic importance of the island states and territories to Australia has been somewhat downgraded. From Australia's viewpoint Papua New Guinea, formerly loosely regarded as 'Australia's first line of defence' - to be defended of course with the aid of a great and powerful ally - is now more commonly likely to be seen as a 'strategic quicksand'. In most scenarios Australia would seek to assist Papua New Guinea against major attack, but probably would seek to do so by the use of air and sea power rather than by the deployment of ground forces. Such forces could be rapidly swallowed up and would be difficult to disengage, and their deployment would weaken the defence of Australia's own territory. In present circumstances, however, such scenarios seem highly improbable.

The strategic relevance of the island region to Australia has also been reduced by the end of the Cold War and the disintegration of the Soviet Union. During the era of superpower competition, Soviet efforts to develop relations with the island states attracted suspicion and counter-measures from Australia, because these efforts were seen as impinging upon a Western sphere of influence. Such concerns are now a thing of the past. Libya's efforts in the mid-1980s to develop links in the region also attracted opposition, but these initiatives have not been sustained. Nowadays Australia is generally relaxed about efforts by the island states to expand and diversify their external connections, and about interest in the region from a variety of external players.

The level of government interest in the region is also constrained somewhat because of the absence of strong interest in the electorate. In the late 19th and early 20th centuries proponents of an Australian or Australasian 'Monroe doctrine' for the Pacific islands region attracted wide support. Nowadays, in contrast, the level of overall interest in and

awareness of the Pacific Islands at other than a superficial level is low, and may be in decline.

Limitations in Practice - Fiji and Bougainville

These domestic characteristics of Australia combine with the regional and international aspects discussed earlier to provide limits and restraints on the exercise of power and influence by Australia in the Pacific Islands region. The extent of these limits and restraints have been demonstrated in recent years with respect to both Fiji and Papua New Guinea.

The Australian government's initial response to the first Fiji coup in May 1987 was strongly critical, and it also expressed concern over the second coup several weeks later. Within weeks of the first coup however Australia had begun to moderate its positions. The government realized that Colonel Rabuka had broad support within the indigenous Fijian community, and that the attitude of most of the Pacific island countries towards the coup was much less critical than that at first taken by the Australian government. Accordingly, the government decided that strong pressure on the new republic would be counter-productive both in relation to the resolution of Fiji's internal conflicts and to the regional standing and future influence of Australia.

The enactment of a new constitution in Fiji and the elections in early 1992 involved a welcome return to constitutional rule. Yet the election results and Rabuka's appointment as Prime Minister also endorsed the assertion of indigenous rights and interests embodied in the two coups he led in 1987. This assertion was embodied in the post-coups constitution, notably in the electoral system, under which voting is on racial lines and Indian and urban voters are disadvantaged. There are some prospects for eventual further constitutional and political change, which may reduce the political disadvantages presently experienced by non-indigenous Fijians. But such change seems unlikely to be either rapid or substantial. Australia was able to exert some influence encouraging Fiji's eventual return to constitutional if not democratic rule. Overall, however, Australia has been obliged to accept the new conditions established by the 1987 coups.

The deficiencies in Australian influence in the Pacific Islands region has also been shown during the Bougainville crisis (in which a secessionist movement sought separation from Papua New Guinea). Papua New Guinea has close links with Australia reflecting proximity and the colonial past, and has often been characterised as possessing considerable strategic significance by Australian defence planners and commentators.

Nonetheless throughout the Bougainville conflict the Australian government, while providing some equipment and training support, has recognized the limits on its influence, both because of Papua New Guinea's determination to assert its sovereignty and because

its close links with Papua New Guinea reduce its credibility as an arbiter. Accordingly it has sought to minimize its involvement, has been conscious of Papua New Guinea's sovereign rights and responsibilities, and has argued that the problem is essentially a domestic matter for Papua New Guinea to resolve. The opposition has chosen not to criticize the government's response.

For Australia, the Bougainville conflict has been a matter for concern and embarrassment, not least because of the Papua New Guinea military's breaking of an agreement by using Australian-supplied transport helicopters as gun ships. But Australia has certainly not played a leading part in helping to resolve the dispute, and neither has it let its involvement exceed modest levels. Meanwhile, because of suspicions and anxieties on both sides of the conflict, Australia has in most instances been unable to play a mediating role.

If we relate the Papua New Guinea/Bougainville case to the three contexts - international, regional, and domestic - discussed earlier, we can observe that in the international and regional context Australia has upheld Papua New Guinea's claims as the legitimate post-colonial successor state; that it has recognized the changing regional circumstances in which Papua New Guinea is determined to play a more assertive role; and that domestically no strong constituency or groundswell of opinion exists urging the development of an alternative approach.

Issues and trends in regional affairs

In their interaction with the various Pacific island states, Australian governments have been obliged to respond to some pressing questions, and in doing so to take account of the perspectives of the island governments. Over the last decade or so, some of the key issues and trends in the region, and the perspectives of the island governments on them, have been as follows.

External and internal security

In contrast to several other regions of the world during the post war era, in the Pacific islands region the use or the threatened use of armed force to help shape relations between states has been very infrequent. Apart from the land border between Papua New Guinea and Irian Jaya, all the international boundaries in the region are maritime. The islands of the region are scattered over a wide area. There are mostly great distances between the various island groups, compared with insular Southeast Asia or the Caribbean. Almost without exception, differences and uncertainties over maritime jurisdictions have been resolved amicably through negotiation.¹⁹ In the Pacific islands region, there is no equivalent to the complex and contentious Spratly islands question.

In the absence of maritime or land border disputes, and with the countries of the region enjoying good relations with one another, state force has mainly been used within countries against internal dissidence or secessionist movements or else, in Fiji's case in 1987, to overthrow a reformist, mainly Indian supported government in order to reassert indigenous Fijian interests and authority.

Nonetheless domestic developments in particular island states have on occasion created circumstances conducive to the use or potential use of force or to the provision of military assistance from another regional country. In 1980 the government of the new Republic of Vanuatu was assisted by Papua New Guinea troops, with Australian logistical and communications support, to quell the Santo secession bid. At the time of the first Fiji coup, in April 1987, elements of the Australian and New Zealand defence forces were put on notice to intervene should their nationals in Fiji be threatened. Since 1989, Australia has provided limited assistance to Papua New Guinea in its efforts to cope with the Bougainville conflict. And in late 1994 Australia provided financial and logistical support

to the short-term deployment of a Pacific Islands peacekeeping force to Bougainville, to guarantee security while peace talks were under way.

In addition to the absence of the threat of armed conflict between the states of the region, foreseeable potential military threats to the island countries from outside the region are also lacking. In part this is because, following allied victory in the Second World War, the Pacific islands region became an integral part of the US and Western sphere of influence, a status it retained throughout the Cold War era.

As discussed earlier, border area tensions have however created some possibility for armed conflict between Indonesia and Papua New Guinea. But this conflict is at present in abeyance, and unless circumstances change radically, is manageable by diplomatic means. In the absence of military threats, and because of their economic weakness, the island states have spent little on defence. Only Papua New Guinea, Fiji and Tonga have armed forces. All three forces lack the capability to mount operations beyond their home territories. In a major internal crisis, their effectiveness would suffer, among other things, from equipment, logistical and communications weaknesses, as the Bougainville conflict has shown with respect to the Papua New Guinea armed forces.

The island states do not form part of any overarching security pact, but tend to assume that Australia or New Zealand would come to their aid in a crisis. Their reactions to the partial unravelling of the ANZUS alliance (in the aftermath of New Zealand's ban on nuclear armed ship visits) in the late 1980s varied. Some states, especially the more assertive Melanesian countries, were impressed by what they saw as New Zealand's show of independence. But the more conservative Polynesian states were concerned about frictions within an arrangement which they had assumed also provided them with some informal security guarantees.

Nuclear issues

The island countries have paid close attention to nuclear issues. Until 1961, when their tests were shifted to Nevada in the United States, the United States and the United Kingdom conducted atmospheric nuclear tests in the South Pacific. France tested in the atmosphere from 1966 to 1975, and then carried out underground tests. These tests took place above or beneath the isolated atolls of Moruroa and Fangataufa in the French territory of French Polynesia. The underground tests were suspended in April 1992, but in June 1995 the French government announced that it planned to mount a final series of tests in late 1995 - early 1996.

As well as opposing nuclear testing, island governments have also opposed plans to dump nuclear and other toxic wastes in the region. Opposition to testing and to the prospect of dumping was expressed in the Treaty of Rarotonga (also known as the South Pacific

Nuclear Free Zone Treaty). This treaty was signed by most members of the Forum at the 1985 meeting of the Forum in Rarotonga, the capital of the Cook Islands, and has since then been ratified by the signatories. Australia played an important part in helping to tailor the Treaty of Rarotonga to reflect a regional consensus which was not in conflict with what the Australian Government regarded as essential United States' and broader Western interests of high sea passage and entry to friendly ports.

While critical of continued French nuclear tests, Australia also took a leading part in the Atkinson Mission of October 1983. This mission made a brief visit to the testing sites and produced a report which, while it expressed concern over the possible longer term leaching of radioactive materials, did not endorse the more dramatic claims made about the health and environmental risks of French testing.²⁰ France has reduced regional concerns to some extent by offering reassurances that the testing program entails no health or environmental risks, by inviting regional leaders to French Polynesia for briefings on the tests, and by providing information to the Atkinson and other research missions. But concerns persist, including over the long-term possibility of radioactive materials leaching into the sea.

In any case island leaderships argue: 'If the tests are safe, why not conduct them in metropolitan France?' To them the tests are a colonial issue. They take this view because France has continued the tests despite regional opposition, and because the tests take place in a territory acquired in the nineteenth century, whose inhabitants have not been consulted in a referendum on whether they want the tests to continue.

Environmental and Resources Issues

Opposition to nuclear testing by the island states forms part of a wider emphasis on environmental issues, which have come into sharp focus through the discussion of the 'Greenhouse Effect'. Should the predictions of rising sea levels prove well founded, the very survival of several island countries will be under threat. The highest point on Kiribati is some five metres above sea level. Other low-lying states and territories include Tuvalu, the Marshall Islands, Nauru, Niue, Tokelau and the Commonwealth of the Northern Marianas. The other island countries include low-lying islands as well as high islands. Even on the high islands, good agricultural land and much of the infrastructure is often concentrated in low-lying coastal areas.²¹ Increased awareness of the potential problems was shown by the attention given to the Greenhouse Effect at the 1989 meeting of the South Pacific Forum.

Environmental issues were again the centre of attention at the 1990 Forum, with island leaders worried about the possible risks from the destruction of chemical weapons on Johnston Atoll. The 1994 meeting of the South Pacific Forum, hosted by Australia in Brisbane, focused closely on environmental damage associated with resource exploitation

in the Pacific islands region. The Australian government took a leading role in highlighting the problems caused by irresponsible forestry, fisheries and other exploitation, and the Forum agreed to improve information exchange and to establish regional codes of conduct. Especially given the fragile ecosystems of several of the island states, environmental and economic development issues need to be addressed together, because environmental damage threatens the implementation of sustainable economic development.

The fisheries question has been especially important in regional affairs. In the early 1980s the refusal by the United States to accept the Law of the Sea Convention, along with the cavalier approach of the United States tuna industry, sparked bitter opposition. The then Australian Prime Minister, R.J.Hawke, has recalled that: 'The predatory and sometimes piratical conduct of these marauders [that is, the American tuna fishermen]...was...denying adequate compensation to South Pacific countries and eroding their respect for the United States'.²² In 1986, however, the signing of a multilateral fisheries agreement repaired the strains in relations between the island countries and the United States. More recently the island countries, along with Australia and New Zealand, have condemned drift net fishing by Japanese, Taiwanese and other trawlers, and have succeeded in banning it from the region.

The island countries have sought to protect their common fisheries interests through the Forum Fisheries Agency, an offshoot of the South Pacific Forum. But there is still much to be achieved. At the 1994 Forum, Australia made available research which indicated that the Pacific island states were getting, compared with Australia, some 50 per cent less in their license fee returns from external fishing fleets, because of extensive under-reporting of catches by these fleets.

Decolonisation

For the island states, determined to assert their political independence, decolonisation has also been an important issue. Coping with the challenges of independence has proved more difficult than expected, at times leading to frustration and disillusionment.²³ Island leaders are conscious that the French and American dependencies receive substantial funding, thus enjoying a higher average standard of living than their independent neighbours. But they are also conscious of the sharp inequalities in the distribution of wealth in the dependencies, especially since the indigenous communities therein are relatively disadvantaged. They are also concerned by the adverse social and cultural effects of continued dependence.

In the 1970s, support by the South Pacific Forum for decolonisation focused on the New Hebrides, until, as Vanuatu, it became independent in 1980. In the New Hebrides, Britain accepted, but France strenuously resisted, an early transition to unitary independence. The

Forum gave diplomatic support to the nationalist *Vanua'aku Pati* (Our Land Party), which had majority backing in the archipelago, and welcomed Vanuatu as a Forum member. And despite the reservations of Fiji and some of the Polynesian countries, Papua New Guinea troops, with Australian diplomatic, logistical and communications support, helped quell the French-encouraged secessionist movement on Espiritu Santo.

In the 1980s the Forum's attention turned to New Caledonia, where conflict had developed between the indigenous Melanesians, known as Kanaks, who comprise 45 per cent of the population, and who mostly want independence, and the non indigenous inhabitants, of European and other descent, who mostly oppose independence. The Forum cautiously welcomed the reforms implemented in the territory by the French Socialists after they won government in 1981, and delayed the tabling or 'reinscription' of New Caledonia by the United Nations Committee of Twenty Four on Decolonisation. But when the conservative government which held power in France from 1986 to 1988, under Prime Minister Jacques Chirac, reversed its predecessor's policies for New Caledonia, the Forum decided to support reinscription. This led to the censure of France by a majority of UN members. However the Forum responded positively to the Matignon Accords of mid 1988, whereby a new Socialist government under Michel Rocard established an interim peace settlement.²⁴ New Caledonia has receded in importance on the Forum agenda, but if conflict breaks out again New Caledonia is bound to return as an issue at Forum meetings.

On decolonisation issues, Australia has favoured a moderate approach. It welcomed the Marshall Islands and the Federated States of Micronesia as participants in the Forum and in regional affairs. Along with the Polynesian countries and Fiji it was cautious about the UN reinscription of New Caledonia, despite pressures from the Melanesian countries to move quickly. But when the reinscription process was set in train, in response to back-tracking by the French government, Australia and in some measure New Zealand provided essential administrative and diplomatic support to implement the Forum's policy.

Indigenous Rights

Island leaderships strongly support the rights and interests of indigenous communities. This ties in with their emphasis on independence and their opposition to colonialism and its legacies. The island governments had some reservations about the coups in Fiji in 1987, but once the coups had taken place, they mostly took the view that the interim administration in Fiji should not be subject to external pressures. Most of them perceived the coups as a re-assertion of indigenous rights and interests against encroachments by the immigrant Indian community, and believed that this re-assertion should take precedence over democratic principles and the rights of non indigenous nationals.

In Fiji the focus on indigenous rights has been at the expense of Indian Fijians, the descendants of immigrant labourers and traders. Supporters of the coups have argued that

the Indians were imposed on the indigenous Fijians during the colonial era in pursuit of commercial interests. But 'locals' versus 'immigrants' tensions also exist between groups of islanders. Conflict often focuses on rights to land. Examples include the conflict between the 'blackskins' (the locals) and the 'redskins' (Papua New Guinea immigrant workers) on Bougainville, and tensions between Melanesians and Polynesian immigrants, mostly from Wallis and Futuna, in New Caledonia.

While essentially local, such conflicts can impinge on international relations within the region. The New Caledonian conflict, the Fiji coups, political tensions in Vanuatu and the conflict in Bougainville have all posed problems for regional diplomacy. In the case of Fiji, Australia and New Zealand found that their outrage at the coups was not shared in most of the island countries. In Vanuatu in May 1988, tension arising in part from conflict over land between the indigenous residents of the Port Vila area and internal immigrants to the capital from elsewhere in the country sparked a riot and helped create a political crisis. Prime Minister Lini requested, and received, Australian help in the form of riot control equipment, and further Australian intervention was considered.²⁵

Implications of the end of the Cold War

The end of the Cold War, and the associated changes which have since taken place, have resulted in some benefits for the island states. The increased influence of the United Nations and other international organisations, despite their organisational and operational weaknesses, should bode well for the protection of the interests of the island states and of other small states. In addition, the island states no longer risk having their domestic and external affairs complicated by rivalries between two superpowers. In the Cold War period, the United States insisted on fashioning constitutional arrangements for the successor components of the Trust Territory of the Pacific Islands to suit its own security and defence requirements. One example of the new circumstances is the (then) Soviet Union's decision in 1990 to refrain from employing its veto in the Security Council, as it had earlier intended, to block the termination of the United States' trusteeship over the Federated States of Micronesia, the Republic of the Marshall Islands, and the Commonwealth of the Northern Marianas.

In the post-Cold War environment, moreover, the United States has been willing to accept greater independence of action by the Republic of the Marshall Islands and the Federated States of Micronesia than otherwise would have been the case. The United States has also felt able to offer the Palauans more reassurances than it was earlier prepared to do about its lack of an intention to establish military facilities in Palau, facilitating Palau's transition to free association status in late 1994.

The island states have also gained some benefits, at least in self-esteem, because the ending of the Cold War era has contributed to the substantial suspension of the policy of

strategic denial. They now can seek to assert their independence and develop and diversify their external relations more freely, without being subject to the same advice and pressures hitherto brought to bear by their traditional Western partners. So far however the efforts of the island states to diversify their external connections have had varied and at times disappointing results. Island governments have become increasingly conscious that diplomatic diversification can involve risks and costs as well as benefits, and that the interest in the region of some of the newer players will not necessarily be either constructive or sustained. So they are likely to continue to focus much of their attention on their former colonial administrators and other associated powers.

In an increasingly complex, interdependent, and multipolar world, the island states have a greater range of potentially beneficial relationships to choose from, but also need to ensure that their interests are recognised and protected. In practical terms, this may not always be easy, given their limited resources, especially in skilled and experienced personnel, and given the tendency, because of their lack of clout, for other powers to take them for granted. Moreover although the island states will no longer be potentially subject to rivalries between two ideologically-opposed superpowers, they may at some later stage find themselves caught up in rivalries between great powers.

And although few would wish for a return to the gridlocked stability of the Cold War era, it remains true that in some respects the Pacific island states were able to profit from East-West rivalry. Following Soviet discussions with Tonga in 1976 over a possible aid/fishing deal, Australian aid to the island states increased dramatically. In the years that followed, Australia and the other Western powers provided substantial aid to the island states, in part to ensure their continued acceptance of Western diplomatic and security leadership. In the mid-1980s, both Kiribati and Vanuatu received above commercial rates for their short-term fishing deals with the Soviet Union, presumably in part because the Soviets wished to reduce island government inhibitions about contacts with them. The wish to prevent the Soviet Union from developing links with the island states motivated increases in United States and Japanese attention and aid to the region in the 1980s, and prompted the United States to resolve its fisheries dispute with the island states.

But in the new, multi-polar world, some of the Pacific island states are finding it more difficult than in the past to gain attention, advice and assistance. By the early 1990s, external aid had levelled off, and appeared likely to decline. In other parts of the world there are many other competing prospective recipients of aid and investment, notably in the successor states to the Soviet Union and in Africa. The island states will need to ensure that relatively scarce aid and investment funds are spent effectively, in order to encourage continued interest and assistance. For some island states the results of inadequate or inappropriate external support could be tragic, for they will need help to weather the waves of change.

Challenges for Australia over the next decade

As we have seen, the Pacific islands region is complex and diverse, and is subject to several interacting patterns of change. Despite this complexity and uncertainty, however, we can be reasonably confident that several of the following issues and challenges will be relevant to Australia's engagement with the island states over the ten years to 2005. In the discussion which follows, some particular approaches to some problems have been suggested.

Australia's role in regional affairs

In the early 1980s, Australia exercised a largely unchallenged position of leadership among the island countries of the South Pacific. A decade later, that status has come under question, even if Australian influence remains strong.²⁶ A new assertiveness is evident among island country leaders. Intractable problems of social and economic development have emerged in several island countries, which Australia cannot resolve unilaterally. These problems, combined with the new spirit of assertiveness, have encouraged the island countries to seek to widen their range of external contacts. At the same time, external powers have initiated or further developed a presence.

In this more complex environment, Australia will need to continue to pursue an active and skilful diplomacy to promote its interests. Often the pursuit of national interests will require a delicate balancing of competing imperatives. In response to the Bougainville conflict, for example, Australia has assisted its former colony, Papua New Guinea, but has also made it clear that the question is an internal matter in which it does not wish to intrude. Limits on resources and pre-occupations elsewhere may also in some respects require a sharper focus in Australia's approach to the region. That focus would be on the countries most strategically and economically relevant to Australia, namely those in the Melanesia and Fiji sub-region.

Relations with other powers

Australia will also need to work constructively with other powers involved in the region. Apart from France, the 'Western' powers which established a presence in the region during the colonial era are no longer inclined to seek to play a significant part in regional affairs.

The United Kingdom has scaled down its aid programs and other involvement, and now plays only a minimal role. The United States showed some interest in regional affairs in the latter half of the 1980s, but in the post-Cold War environment its interests in the region are focused almost exclusively on the states and territories of American Micronesia.

For its part, France has continually demanded recognition as a legitimate participant in regional affairs, and as noted earlier, had succeeded in improving its relations with the island countries until controversy erupted from June 1995 onwards over its plans to resume underground nuclear testing. The damage thus done to France's relations with the South Pacific Forum countries, and notably with Australia, will take some time to repair. Increased concern over French motives and attitudes is likely to complicate regional politics with respect to the eventual political evolution of France's territories in the region.

A referendum on New Caledonia's constitutional future will be held in that territory in 1998; it could lead to increased autonomy or possibly to some form of independence in association with France. In French Polynesia, once the test series is completed, pressures may mount for increased autonomy. It is in Australia's interests that the tensions which are likely to surface in these territories are managed constructively by France, in order to support longer-term solutions reflecting a broad consensus of support in the particular territory concerned. International interest and diplomatic pressure may again play a helpful role, despite French sensitivities, as they did in relation to New Caledonia during the 1980s. The French can be 'difficult customers', but the same can be said, depending on the questions at issue, for several other national communities with which Australia must deal.

In the second half of the 1980s, Japan showed increased interest in the region, but in post-Cold War circumstances that interest has subsided. Japan has nonetheless developed significant commercial and investment connections with the states and territories of American Micronesia, and in some measure with the Melanesian countries and Fiji, especially Papua New Guinea. It provides significant levels of aid to several island states. Other countries from the East Asian region have shown some increased interest in the Pacific island states in recent years, notably Indonesia and Malaysia, with most of their interest focusing on Papua New Guinea. These countries do not appear inclined to seek to exert significant influence on regional affairs, and nor are they likely to become significant aid donors. They have however sought to develop their connections with some particular countries, especially Papua New Guinea. In doing so, on some occasions, individual leaders or private companies have used dubious means.²⁷ Australia will need to display sensitivity in determining the most productive course in advising Papua New Guinea on its relations with these new partners. Tensions are likely to rise from time to time in Australia's relations with the countries involved.²⁸

Australia can be expected to continue to cooperate with New Zealand in relation to the Pacific islands region. Their friendly rivalry will need to be kept within certain limits.

Their interests in the region, though generally in convergence, are not always identical, and Australia needs to be aware of this. New Zealand has particular associations with the Polynesian region, because of its former colonial presence there. At the 1990 South Pacific Forum, Australia supported the American position on the destruction of chemical weapons on Johnston Atoll, despite strong reservations and criticism of American intentions by the island countries. For its part, however, New Zealand sat on the fence, expressing both understanding of the Australian perspective and sympathy for islander concerns. In response to the announcement in mid-June 1995 of the resumption of underground nuclear testing, the New Zealand government at first sought to benefit from the perception that it was taking a stronger line than its Australian counterpart, though in due course the two governments coordinated their approach more closely.

In addition, budget restrictions in New Zealand may inhibit its ability to fulfill its responsibilities in the region. Australia may need to help ensure that New Zealand continues to contribute to the development and stability of the region in accordance with its size and level of economic development.

Economic development problems

Since early 1994 the Australian government has been increasing pressure on the island country governments to improve their economic management. The Hon. Mr Gordon Bilney, MP, Minister for Development Assistance and Pacific Islands Affairs, has pointed to the poor economic growth record of most island countries over the last decade, and has called for major structural reforms, including tightening budgets, trimming the public sector, and developing the private sector. He has also urged the rationalisation of regional civil administration.²⁹ Mr Michael Costello, Secretary of the Department of Foreign Affairs and Trade, commented in early 1995 that:

When the domestic policy settings of the South Pacific countries fail to address domestic challenges, there are limits to the assistance any external power can provide. Australia remains committed to assisting Pacific island governments, but in the absence of sound long-term domestic economic policies, such assistance will only have a short-term palliative effect.³⁰

Minister Bilney has indicated that it will prove difficult to maintain present levels of Australian aid to some island countries, unless the governments concerned implemented enduring reforms to ensure better accountability and the more effective use of aid funds.³¹

Improved accountability and efficiency are of course worthwhile goals, but it is also clear that particular circumstances will vary considerably between countries and between sub-regions. It is important too to take full account of the vital role of subsistence activity in

the various island country economies, which is not always adequately assessed in the available statistics.

Caution must also be employed with respect to drawing parallels with and lessons from other regions. Comparison has been made, for example, between the better economic performance of the Caribbean island countries compared with the Pacific islands countries over the last decade. It should be remembered, however, that compared with the small states of the Caribbean, the Pacific island states are much more reliant on the subsistence sectors of their economies, much more remote from mass markets for their tourist industries and their agricultural produce, and relatively distant from key sources of investment capital.

Nor is the so-called 'East Asia Growth Model', with its emphasis on export markets and a purportedly minimal government role, necessarily relevant in all cases, given the particular characteristics of the Pacific island states. In terms of institutional weaknesses and lack of national cohesion, indeed, the more relevant parallels may be with several of the African countries, though to a less serious degree, at least so far.

Australia's approach to economic development problems in the Pacific islands region is likely to vary depending on which sub-region of the wider region is involved. The states and territories of American Micronesia are likely to remain heavily dependent on American assistance. They are also well-placed to take advantage from links with Japan and other East Asian countries. Australia will provide the states of this sub-region with some help, but at only a modest level. In contrast, Australian aid to the states of the other sub-regions is likely to continue to be substantial.

The states of the Polynesia and Commonwealth Micronesia sub-region lack resources, do not have much local entrepreneurial spirit, and suffer other significant economic disadvantages. They have small land areas and vulnerable environments, so economic development measures need to be especially sensitive to environmental concerns. They are likely to remain heavily dependent on aid indefinitely, with the public sector playing a dominant role in the economy. Some openings may nonetheless exist for the development of niche marketing. Tonga, for example, has established the export of pumpkin squash to Japan as a viable and valuable activity. The best approach to the governments of these states is perhaps to encourage them to manage their affairs stringently, so as to live within their modest means, while assisting them to provide modern standards of services and to contain population pressures - a 'steady state' formula.

In contrast the states in the Melanesia and Fiji sub-region have greater potential for economic growth and development. They are handicapped however by institutional weaknesses, poor levels of education and technical skills, and a lack of national cohesion. The two states in this sub-region and indeed in the wider Pacific islands region with the

best prospects for economic self-reliance in the short-to-medium term are Fiji and Papua New Guinea. Both these states, however, face significant problems.

The Fijian economy recovered quite well from the downturn which followed the coups in 1987, and in the late 1980s the Fiji government instituted some important structural reforms. But continued economic progress will require careful management and an enduring political settlement between the Fijians and the Indo-Fijians. Fiji remains significantly dependent on preferential market access under various trade agreements, especially the Lomé Accords [for former colonies] which provide a guaranteed market share at a subsidised price for sugar, Fiji's main export, in the European market.³²

Similarly, most of the other island states benefit from Lomé and/or other concessional trade agreements. The island governments would prefer the consolidation of such arrangements so as to provide assured markets and returns. Several of them are finding it difficult to adjust to trends towards more liberal international trading arrangements, and are anxious that they may 'miss the boat' or be otherwise disadvantaged by increased economic and other cooperation in the Asia-Pacific region.

Up until the late 1980s, Papua New Guinea's future looked promising. The national government had maintained macroeconomic discipline, and had adjusted capably to the substantial financial losses associated with the Bougainville rebellion. Several new resource projects were being developed. From the early 1990s, however, standards of overall management have declined, and corruption and inefficiency have become more evident.

Papua New Guinea has great mineral and other resource wealth. But its government faces pressing social and political problems, with which it has a limited capacity to deal, because of weaknesses in this state's institutions and infrastructure, and because of the fractiousness and cupidity of many of its leaders. Here as elsewhere in the islands region, many individual Papua New Guinea citizens work hard and want a better future for their families and communities, but are let down by organisational and political weaknesses.³³ The Papua New Guinea government has the hard task of managing resource use and economic development so as to maintain economic and social stability and bring lasting benefits.

Since 1992 Australia has begun to change the nature of its aid to Papua New Guinea, with the longer-term aim of completely replacing direct budgetary aid with 'program' aid to the health, education, and other sectors. The Papua New Guinea government has been reluctant to accept this change, particularly from 1994 when its implementation gathered momentum. The transition is proving difficult. The challenge is to maximize the benefit of aid spending to local and regional communities while keeping delivery and auditing costs to a necessary minimum. The new approach may require revision in due course.

Papua New Guinea leaders have criticized the Progam Aid initiative, claiming that the planning and auditing processes involved amount to 'neo-colonial' interference in their country's sovereign affairs. They have employed rhetoric, in part intended for their domestic audience, which reflects their frustration with the problems their country faces. These criticisms are heart-felt. But in view of the amount of aid and assistance which Australia has provided to Papua New Guinea since it attained independence in 1975, it would seem that Australia has fulfilled its obligations generously. For Papua New Guinea, as with several other island states, a long hard road lies ahead. Australian governments will need to do all that reasonably can be done, bearing in mind the limits and constraints on Australian influence, to encourage careful management and to help strengthen institutional capacity in these states, at both the national and the local level.

We must also recognize that processes of economic and social development involve significant conflicts and tensions, with the potential to strain severely the limited institutional capabilities of the island states. The recent history of both Bougainville and Fiji provide examples. Up until the late 1980s, Bougainville was a success story among the provinces of Papua New Guinea, with respect to economic and social progress. When however disputes arose in the late 1980s over the distribution of benefits from the giant Panguna copper mine, and over compensation for environmental damage, both the local provincial government and Papua New Guinea national authorities lacked the institutional and political capacity, to manage the disputes effectively. The result was that the situation rapidly worsened, leading to the insurrection. In the 1970s and early 1980s, Fiji was also relatively successful among the island countries. But processes of social and economic change, including urbanisation and increased wage employment among indigenous Fijians, and the associated weakening of the chiefly authority system, provided the backdrop of the 1987 coups.

In addition we should recognize that unintended consequences sometimes occur as a result of reform programs, because tough government measures sharpen social tensions. In the mid-1980s the World Bank urged Fiji to adopt austerity measures. The Alliance government complied by initiating a wage freeze, in order to defend Fiji's reputation for responsible economic management and to ensure Fiji's continued attractiveness for loans and investments. The wage freeze contributed to the momentum of the newly-formed Fiji Labour Party, assisting it to gain votes from disaffected urban Fijians. These votes contributed crucially to the narrow defeat of the Alliance and the resulting victory of the coalition led by Dr Timoci Bavadra in the 1987 elections, helping in turn to create the context for the first coup in May 1987.³⁴

As processes of economic and social change bring major tensions in some countries, straining their weak institutional capacities, it will be important for Australia to continue efforts to strengthen these capacities.

Environmental questions

As noted earlier, Australia took a leading role at the 1994 meeting of the South Pacific Forum in addressing environmental damage and the threats to longer-term economic sustainability associated with resource exploitation in the Pacific islands region. Some progress has been made, but much remains to be done. These matters will require continued close attention over the years ahead.

So too will the risk of nuclear and other waste dumping in the region, as well as the possible longer-term health and environmental effects of French nuclear testing. Australia should continue taking the leading role in urging France to permit a comprehensive, independent and international enquiry into the possible health and environmental risks of the tests.³⁵

The question of global warming, in part as a result of the Greenhouse Effect, is likely to be at issue. Some island governments and commentators are likely to complain that Australia is not doing enough to reduce industrial emissions, notably from the use of coal. In a bad case scenario, and possibly within the next decade, the very existence of some of the low-lying island states could be threatened by rising sea levels resulting from global warming.

Migration

Over the next decade, Australia may come under pressure from some island countries to modify its immigration policies to the benefit of Pacific islanders. This may happen in response to climatic change associated with global warming. In August 1994, after apparently unprecedented tidal waves battered Tuvalu, a tiny state which consists of eight atolls, the Tuvaluan prime minister queried whether the tidal waves resulted from rising sea levels. He also denounced Australia for not doing enough to reduce greenhouse gas emissions and hence global warming, and asked whether, should rising sea levels threaten Tuvalu's viability, Australia would be able to host the resettlement of the Tuvaluans.³⁶

Meanwhile representatives of some of the smaller island countries have in recent years suggested the establishment of special 'working holiday' or 'guest worker' arrangements for their citizens, to permit them to work in Australia in order to send remittances home and to acquire skills and experience which can later be put to good use in their home country. Leaders from these countries point out that their people are ready to work, but that their economies do not provide adequate opportunities. Working holiday arrangements would allow these countries to gain economic benefits through the work of their people, rather than having to rely so heavily on external aid. The total numbers involved, were such an arrangement restricted to the smaller island countries, would only amount to perhaps thirty or forty thousand people.

Another source of pressure relating to migration could conceivably arise as a result of disorder and unrest in one or more of the island countries, especially Papua New Guinea, or else possibly in Irian Jaya. The distance between Papua New Guinea and the northernmost of the Torres Strait Islands is only a few hundred metres. The arrival of 'canoe people' in northern Australia could pose significant practical and policy challenges.

In Australia strong bipartisan support exists for maintaining universalistic criteria for immigration. Yet in certain circumstances some members of the various communities living in Australia's purported 'backyard' may contend that they should be given some form of special legal or administrative consideration.

Internal security problems and intervention possibilities

Over the next decade, secessionist and localist movements are likely to surface from time to time in several of the island countries. But the island and donor governments can be expected to continue to support the boundaries and jurisdictions established under the post-colonial order, and to regard secessionist disputes as essentially a matter for the state concerned. These various movements will often have difficulty in establishing their credibility - a task which at times some existing island governments, despite external recognition and support, themselves find difficult. In the Pacific islands region these movements have been able to mobilize against an externally-imposed state structure, but have generally been unable to cohere effectively in support of a positive program of their own. The local loyalties and grievances and the narrow horizons which provide their impetus are also major obstacles to effective organisation and realistic planning. So they will find it hard to attain wider international acceptance and support.

In most instances governments will be able to manage and contain such movements by political and administrative methods, but on occasion some of these movements are likely to employ violent measures. Other challenges to public order may emerge in some island countries, and in some countries increased levels of criminal activity may pose problems. Such developments will be associated in some measure with the stresses and strains of economic development and social change. Over the next decade several island governments will need to improve the capacities of their policing and legal systems.

Some island governments, especially in Melanesia, will need continued outside help, especially from Australia, to assist their military and police forces to operate professionally and effectively. This may involve substantial increases in the size of these forces. In particular, their training should be designed to raise standards of discipline and conduct, especially with respect to the use of the minimum force necessary to contain disturbances and necessarily requires strengthening of other elements of civil security, particularly the judiciary, the court system and custodial institutions. Meanwhile those island governments which also have military forces under their authority should be

encouraged to strengthen the distinctions between the civil and military spheres of activity, and to regard the use of these forces in internal unrest contingencies as the absolute last resort.

The reality is that, should Australia and other donor countries fail to assist sufficiently in the development of these various administrative, legal, police and military capabilities, they will risk expending their other aid contributions to no lasting purpose.

On several occasions over the last fifteen years, Australia has either participated in or else has given consideration to direct intervention in Pacific islands affairs. Australia does not wish to assume the role of regional policeman. Nonetheless, as an absolute last resort, intervention could take place in certain circumstances, especially if it was necessary to protect Australian citizens, including by arranging their evacuation.

Responses to such contingencies will require political acumen and tactical flexibility. It will be important to ensure that an island government which might seek Australian support is not conflating its own desire to stay in power with the broader interests of the state and society concerned. In several of the more likely intervention scenarios, para-military police operations are likely to be more appropriate than the application of military strength.³⁷

Awareness and understanding

One handicap which Australia faces in its relations with the Pacific islands region is that the level of knowledge and understanding of the region in Australia is generally modest. In addition, the 'our backyard' mentality tends to encourage the view that Australia will have the means and the opportunity to resolve particular problems which may arise, whereas this is in fact not necessarily the case. Over the decade ahead, an increased level of public awareness and understanding will be required in order to provide broad community support for continued effective engagement by Australia with the region.

Senior leaders in the Federal Parliament have set an example by showing substantial interest in the Pacific islands region. The Minister for Foreign Affairs and Trade, Senator Gareth Evans, has travelled extensively in the region. Following the 1993 elections, the Keating Government established a new portfolio of Development Assistance and Pacific Islands Affairs. In early August 1995, the Shadow Minister for Foreign Affairs, the Hon. Mr Alexander Downer, emphasized the importance of Papua New Guinea to Australia.³⁸ With respect to their fellow members of the Federal Parliament, the following measures would assist greatly to increase knowledge and understanding of the region.

- the sending on a regular basis, say every two years, of a joint parliamentary delegation to the region, in order to increase understanding of the island states and of the economic development challenges which they face.

- increased travel by individual parliamentarians to the region, including for example on stop overs while en route to more distant destinations.
- increased efforts at the community level to encourage student and other exchanges, and to facilitate the involvement of non government and community groups in building improved relations and contributing to development initiatives.
- continued leadership to encourage the community to abandon 'picture postcard' stereotypes, to appreciate the limits on Australian influence, and to acknowledge the importance of consolidating substantial, enduring and constructive connections with the Pacific islands region.

Conclusion: no easy answers

The peoples of the Pacific islands region have often shown resilience in accommodating to changing circumstances. This resilience will be tested severely in the years ahead. One would hope that **all** of the island states will become more economically self-reliant, will enjoy improved living standards, will adapt their culture and traditions creatively to changing circumstances, will maintain more or less liberal-democratic forms of government, and will protect their natural environments. But given the potential tensions between some of these various possible future circumstances, and in view of the issues and trends considered in this paper, this happy outcome must be a **hope** rather than a realistic expectation.

Over the next decade or so, depending on the implications of global warming, the continued viability of one or more of the island states may come under threat. Several island states may suffer from serious environmental degradation. Some of them may experience extensive social and political unrest fueled in part by poor economic management, or by the disruptions associated with social and economic change. One or two island states may be subject to military or paramilitary intervention, on a short-term basis. The political map of the region could possibly be redrawn in part, if one or more of the various secessionist and nationalist movements achieves its goals.

It is conceivable that one or more of the island states could become a 'failed state',³⁹ along the lines of some countries in Africa and elsewhere. At the other end of the spectrum of possibilities, one or two states, benefiting from good luck and good management, may become 'success stories,' though not without conflicts and upheavals along the way. The future of most of the island states is likely to be somewhere in the range between these extremes; their setbacks and disappointments in some areas balanced by improvements and achievements in others.

Over the decade to 1995, Australia faced several difficult problems in the islands region, including conflict in New Caledonia, the coups in Fiji, the Bougainville revolt, French nuclear testing, economic development issues, and the irresponsible exploitation of fishing, mining and other natural resources. On present trends, over the decade to 2005 Australian governments will again face policy questions of at least similar if not greater difficulty - questions to which there will usually be no easy answers.

Australia will need to maintain an active and constructive diplomatic engagement with the region, especially with the states of the Melanesia and Fiji sub-region. It will also need to work constructively with other powers. Economic development problems are likely to be a major preoccupation. Processes of economic and social change will bring major tensions in some countries, so it will be important to continue efforts to strengthen institutional capacities.

In view of the diversity of the region, the poor overall levels of entrepreneurial and other skills, and the limited resources of some states, no single policy approach will necessarily be effective.

The island states are likely to face some difficult years and several hard decisions over the next decade. Much of the heavy responsibility of building a better future, in a complex and fast-changing world, will reside with their political and community leaders.

But Australia has a significant role to play. Moreover Australia's standing and influence in the Asia-Pacific region and in the wider world will be affected, for better or worse, by how well it meets its responsibilities to the islands region.

There are necessarily tensions in Australia's relations with the region. These include that between upholding island country sovereignty and encouraging self-reliance, while also ensuring that aid is spent effectively, and that between Australia's engagement with the region and its interests and involvement in other regions.

Australia will manage these tensions and fulfill its role in the Pacific islands region more effectively if its political leaders and the wider community are well-informed about the region, are aware of the limits and constraints on Australian influence, and are conscious of the policy complexities involved in relations with the island states.

Endnotes

- 1 South Pacific Commission, *South Pacific Economies: Statistical Summary, Number 12*, Noumea: South Pacific Commission, 1991. p. 9.
- 2 Spain's presence in the Pacific islands ended with its defeat in the Spanish-American war of 1898. Spain ceded Guam to the United States and, short of funds, sold its other possessions and claims in Micronesia to Germany. The German presence in Micronesia, New Guinea and Samoa was in turn eclipsed by the first World War. Japan acquired Germany's possessions in Micronesia, but lost them to the United States when defeated in the Second World War. The French presence in the region was unsettled by that war, but de Gaulle's Free French movement managed to maintain French sovereignty in New Caledonia and in Tahiti and its islands, and continued the French protectorate over Wallis and Futuna. The Dutch mounted a rearguard action in West New Guinea in the 1950s, but were eventually obliged to accept the incorporation of that region by Indonesia.
- 3 For example the relationship which the Cook Islands has with New Zealand has resulted in the rejection of the Cooks' request to be covered by the Lome' Convention as part of the African-Caribbean-Pacific group of former colonies which receive special market access to and development assistance from the European Union. Meanwhile some commentators have argued that the Marshall Islands, the Federated States of Micronesia, and Palau lack genuine independence.
- 4 See John Connell, 'Island Microstates: The Mirage of Development,' *The Contemporary Pacific. A Journal of Island Affairs*, 3, 2, 1991, pp. 251-87.
- 5 R. Gerard Ward, 'Earth's Empty Quarter? The Pacific Islands in a Pacific Century,' *The Geographical Journal*, vol. 155, no. 2, July 1989, pp. 325-46
- 6 *Quasi-States; Sovereignty, International Relations, and the Third World*, Cambridge: Cambridge University Press, 1990.
- 7 Jackson, *Quasi-States*, p. 5.
- 8 Jackson, *Quasi-States*, pp. 11, 21, 29.
- 9 *Nuclear Playground*, Sydney; Allen & Unwin, and Honolulu: University of Hawaii Press, 1987, pp. 2-3.
- 10 This categorisation is in part a development of that in Steve Hoadley, *Security Cooperation in the South Pacific*, Canberra: Peace Research Centre, Australian National University, Working Paper 41, 1988, pp. 15-16. The categorisation used here, it should be stressed, is intended merely to serve as a descriptive and explanatory device: in other contexts other lines of division and other connections would be given greater salience. For example, although Fiji is mostly grouped in this study with the Melanesian states, it maintains strong social and cultural links with the Polynesian states to its east. Similarly, although the 'American' and the 'Commonwealth' Micronesian entities are here treated separately, these entities have historical and cultural connections.
- 11 Kiribati is now a member of the Commonwealth; it was formerly under British rule. Nauru was administered by Australia as an Australian, British, and New Zealand Trust Territory, and is now an associate-member of the Commonwealth .

- 12 Island governments have had reservations about the South Pacific Commission, insofar as it is in some respects a legacy of the colonial era. For their part, donor countries have been concerned about the Commission's poor standards, in recent years, of administration and accountability. But island countries also value the Commission because it is the only organisation which brings together both the independent states and the dependent territories in the region. Meanwhile, the Commission provides a mechanism for France to engage constructively in regional affairs.
- 13 Commonwealth of Australia, *Australia's Regional Security. Ministerial Statement by Senator the Hon. Gareth Evans QC*, Canberra: 1989, p. 19; Stephen Merchant, 'Australia's Defence Cooperation Program and Regional Security,' in Hegarty and Polomka (eds), *The Security of Oceania in the 1990s. Volume 1: Views From the Region*, Canberra: ANU Strategic and Defence Centre, Canberra Papers on Strategy and Defence No. 60, 1989, pp. 71-77.
- 14 See Richard Herr, 'Regionalism, strategic denial and South Pacific security' *The Journal of Pacific History* vol. 21, nos 3-4, 1986, pp. 170-182, and his 'Diplomacy and Security in the South Pacific. Coping with Sovereignty' *Current Affairs Bulletin* vol. 63, no. 8, January 1987.
- 15 See *Australia's Regional Security. Ministerial Statement* pp. 45-6.
- 16 See Ross Babbage, 'Australian Interests in the South Pacific', in Albinski et. al., *The South Pacific: Political, Economic and Military Trends* Washington: Brassey's, 1989, p. 64
- 17 Australian International Development Assistance Bureau (now AUSAID), *Aid 94-95: Budget Summary*, Canberra 1995.
- 18 See Peter Jennings, 'Political and Constitutional Change' in Peter Polomka, ed., *The Security of Oceania in the 1990s. Volume 2: Managing Change*, Canberra: Canberra Papers on Strategy and Defence No. 68, 1990.
- 19 The one instance where the maritime distance between the land areas of the Pacific island states is short consists of the distance of a few kilometres between the northwestern islands in the jurisdiction of the Solomon Islands and Bougainville. Some incidents related to the rebellion on Bougainville occurred along this maritime frontier in 1993 and 1994, creating tensions between the Papua New Guinea and Solomon Islands governments, but these tensions have since then been contained.
- 20 New Zealand Ministry of foreign Affairs, *Report of a New Zealand, Australian, Papua New Guinea Scientific Mission to Moruroa Atoll* Wellington: 1984.
- 21 See Harold Brookfield, 'Global Change and the Pacific: Problems for the Coming Half-Century,' *The Contemporary Pacific*, Vol. 1, Nos.1 and 2, pp. 1-19; and Muriel Brookfield and R.Gerard Ward, *New Directions in the South Pacific. A message for Australia*, Canberra: Academy of the Social Sciences in Australia, Research School of Pacific Studies, The Australian National University, 1988, p. 68.
- 22 *The Hawke Memoirs*, Melbourne; William Heinemann Australia, 1994, p. 222
- 23 See, for example, Albert Wendt, 'Western Samoa 25 Years After: Celebrating What?' in *Pacific Islands' Monthly*, Vol. 58, June 1987, pp. 14-15.
- 24 See Stephen Henningham, 'A Dialogue of the Deaf: Attitudes and Issues in New Caledonian Politics', *Pacific Affairs* vol. 61 no. 4, Winter 1988-89, pp. 633-652, and his 'The Uneasy Peace. The New Caledonian Matignon Accords at mid-term', *Pacific Affairs*, vol. 66, no. 4, Winter 1993-94, pp. 519-37.
- 25 See Stephen Henningham, 'Pluralism and Party Politics in a South Pacific State: Vanuatu's Ruling *Vanua' aku Pati* and Its Rivals', *Conflict* Vol. 9, 1989, pp. 171-195.

- 26 See Greg Fry, 'Australia and the South Pacific', in P. Boyce and J. Angel. eds, *Diplomacy in the Marketplace; Australia in World Affairs, 1981-90*, Melbourne, Longman Cheshire, 1991.
- 27 In the mid-1980s, for example, General Benny Murdani, the (then) Indonesian Army Commander, 'donated' US \$ 140 000 to Ted Diro - at that time Papua New Guinea Foreign Minister and the former commander of the Papua New Guinea army - for the campaign funds of Diro's People's Action Party. See Beverly Blaskett and L Wong, 'Papua New Guinea under Winti; Accommodating Indonesia', *Australian Outlook*, vol. 43, no. 1, April 1989, pp. 55-6.
- 28 An example of this was the Malaysian diplomatic reaction to the ABC 'Four Corners' program critical of the conduct of the Malaysian logging companies in Papua New Guinea
- 29 The economic problems faced by the island countries are examined in the various publications which have emerged from the AIDAB-funded 'Pacific 2010' project, run by the National Centre for Development Studies at the Australian National University. See in particular R.V.Cole, ed., *Pacific 2010; Challenging the Future*, Canberra: 1993.
- 30 'Policy Priorities for the Department of Foreign Affairs and Trade in 1995,' *The Australian Journal of International Affairs*, vol. 49, no. 1, May 1995, pp. 135-143, p. 140.
- 31 'New Directions in the South Pacific', Speech by the Hon. Gordon Bilney MP to the Eighth General Assembly of the Pacific Islands Broadcasting Association, Melbourne, 23 August 1995, pp. 7-8.
- 32 Michael Taylor, ed., *Fiji: Future Imperfect?*, Sydney: Allen & Unwin, 1987, pp. 1-13.
- 33 Sean Dorney, 'PNG: two decades of independence', *24 Hours*, September 1995, pp. 32-4.
- 34 See Brij Lal, 'Plus ça change: Resources, Politics, and Development in the South Pacific', in Henningham and May, *Resources, Development and Politics*, pp. 230-7, 241-2.
- 35 Stephen Henningham, 'French Nuclear Testing; Is it time for an international enquiry?', *Pacific Research*, February 1995, pp. 31-34.
- 36 'Tuvalu: Tuvalu Prime Minister criticizes Australia over Greenhouse Gas Emissions,' Radio Australia, 5 August 1994, BBC Monitoring Summary.
- 37 See Stephen Henningham and Stewart Woodman, 'An Achilles Heel? Australian and New Zealand Capabilities for Pacific Islands Contingencies,' *The Pacific Review*, vol. 6, no. 2, 1993, pp. 127-143.
- 38 Alexander Downer, MP, 'Australian Foreign Policy and Regional Security', Address to the Australian Institute of International Affairs, Canberra Branch, 1 August 1995, p. 16.