

Perspectives on the Pacific

Presentation by Brian Lynch

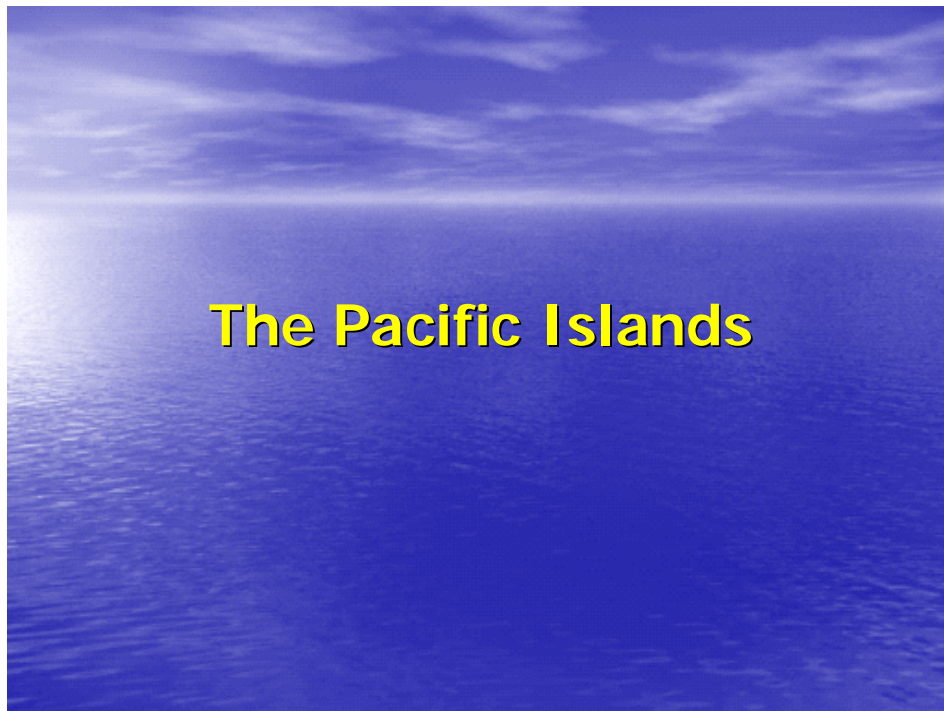
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Introduction

Thirty years ago it was my good fortune to be director of the Pacific Division in the New Zealand Ministry of Foreign Affairs. When I took the role the permanent head of the ministry gave this advice “ Never forget that elsewhere around the world New Zealand conducts external relations with other countries Only in the Pacific do we have a foreign policy”.



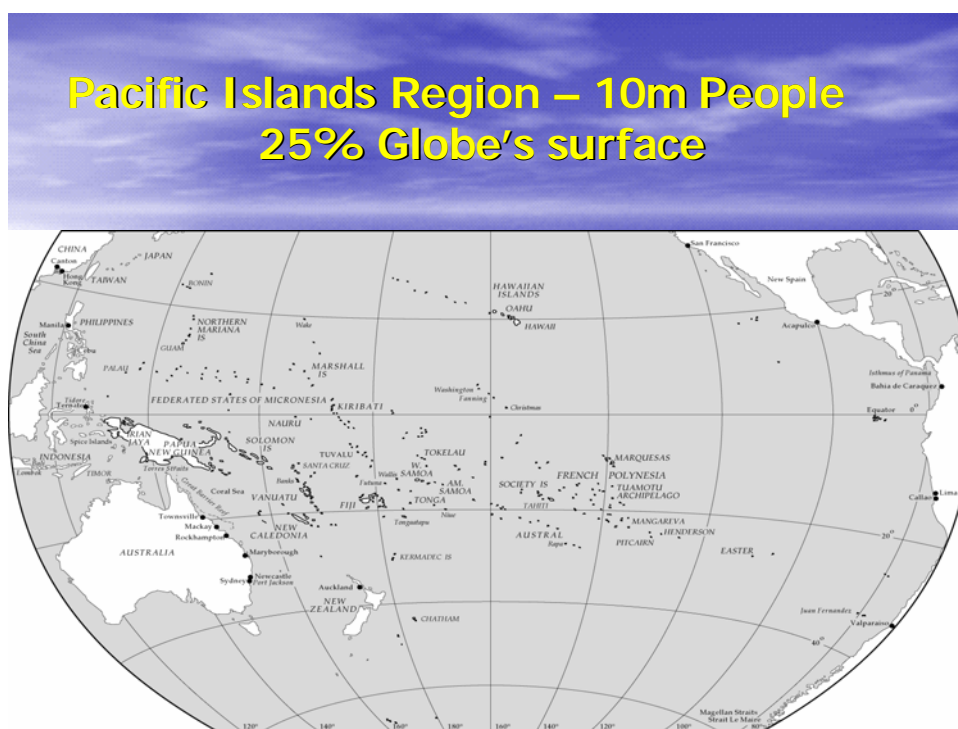
I expect that at the time that counsel was a bit too profound for a new director to comprehend. It probably went over my head. But it has stuck with me. What my boss was saying, was that by virtue of its small size and population , scarce resources and relative isolation, it was only occasionally in most bilateral relationships that New Zealand could exert a significant influence. The ingredients of what is now fashionably termed ‘soft power’, were the best we could hope to bring to bear.

The reality being of course that if you account for only 0.24 per cent of world population and 0.27 per cent of global trade, few other nations are likely to feel it prudent to step

aside when they observe New Zealand on the march. The Pacific on the other hand ,my permanent head was alerting me, was another world.

Here New Zealand was not a comparative minnow but a metropolitan power. What we did mattered. We could make a difference .For good or otherwise, New Zealand’s policies and actions could have a real impact on its near neighbours , their economies and their peoples.

Fast forward three decades and the situation has altered little. Other than become even more complex and challenging.



New Zealand and the Pacific

There are four main reasons why the Pacific matters to New Zealand .They define our place in the region. And have underpinned our approach for decades. They help explain why generally speaking, relations with the region have not been the subject of sharp political division within New Zealand.

Geography

The most elementary fact is that of geography. It’s constant, unchanging, immutable. By location New Zealand is permanently and inescapably in and of the Pacific.

Culture

Secondly, there are cultural factors. Above six per cent of the New Zealand population are of Pacific origin. More people from the Cook Islands, Niue and Tokelau reside in New Zealand than in their home islands. Add in the Maori population and close to one in

five New Zealanders can claim Polynesian heritage. A growing number are of Melanesian background.

Constitutional

Thirdly, there are binding constitutional and historical ties especially with the Polynesian Pacific. Special immigration access arrangements exist. Those island groups mentioned earlier can live in New Zealand in relatively sizeable numbers because they are New Zealand citizens. A particular and unique Treaty of Friendship with Samoa sets the tone and substance of that relationship.

Integration

Finally, there is a mix of what could be called ‘integrative’ factors that play an important part, increasingly so, in the tapestry of New Zealand-Pacific ties: commerce, education, media, politics, religion, remittances, sport.

New Zealand and Asia

At this point I need to say, to keep things in perspective, that beyond argument New Zealand’s destiny lies in Asia. Our fastest growing population group is of Asian origin. They are having a huge and beneficial impact on our economy, educational institutions and cultural understanding, as well as on our demographics. Six of New Zealand’s ten most important trading partners are in this region.

It is not by chance that newly elected New Zealand governments and leaders routinely make an early point of reinforcing the value the country attaches to its Asian links.

That being said, there can be no turning the back by New Zealand, let alone walking away from seemingly intractable issues close at hand. They surround development and democracy, growth and governance. Unrest is often rooted in historic grievances.

Quick Overview



I will give a snapshot of the Island communities at the centre of this presentation. It will look only at the islands and island groups which New Zealand (and Australia) have most to do with and together acknowledge some responsibility for. This quick overview will not cover the French territories of Tahiti and New Caledonia or the areas of US interest and influence to the north. However those groups are by no means immune to the forces of change sweeping through their southern neighbours.

First, *Fiji*: around one million people; labouring under a military-led coup, the third in twenty years; currently suspended from the Commonwealth and the Pacific Forum; its economy heavily dependent on sugar exports and tourism, both in serious difficulty.

***Kiribati*: population 110,000. isolated; limited investment potential.**

***Nauru*: barely 14 thousand people; isolated, phosphate deposits that previously sustained the economy are now gone; near bankrupt.**

***Niue*: 1000 people on the island, heavily dependent on aid from New Zealand where most Niueans live.**

***Papua New Guinea*: the only “big” country by Pacific standards, twice the size of New Zealand ; six million population; major issues around governance and personal security; substantial natural resources but the economy struggles.**

***Samoa*: under 200 thousand people; had been the regional bright spot with stable government and sound growth ; now in the early stages of recovery from a devastating tsunami.**

***Solomon Islands*: half a million people; rich in resources but unstable government ; recent race-based riots; order maintained by RAMSI (Regional Assistance Mission) which is largely staffed by military and police from Australia and New Zealand .**

***Timor Leste*: one million population; became independent in 2002 in fraught circumstances that have little eased; reliant on foreign forces to address security challenges; has laid claim to significant offshore oil resources but future access still under negotiation with Australia.**

***Tonga*: 120 thousand population; government and the economy remain strongly influenced by the Tongan royal family; a country in transition with the usual strains that process brings.**

***Tuvalu*: 15 thousand people; sits only five meters above sea level and risks being an early casualty of climate change; stable but very low investment and growth potential.**

***Vanuatu*: 210 thousand population ; tribal and island divisions persist from the colonial past ; unstable government; restricted economic prospects other than tourism and some agriculture exports.**

Limited Resource Base

In summary, the island groups of the south-west Pacific comprise barely ten million people spread over a land mass that would hardly equal two Indian states. Yet sprinkled across an ocean span larger than the sub-continent. With not much more than some farming, fish, forestry, a few minerals and a fickle tourist trade, on which to try to build a sustainable economy. And to give their people good reason to stay home rather than be drawn to brighter lights elsewhere.

Social Constraints

Scarce resources and fragile environments give only part of the picture. Diseases both traditional such as malaria or others a consequence of modern lifestyle trends such as obesity and diabetes, are commonplace in some island groups. There are wide gulfs in living standards and pockets of extreme poverty. Population shifts vary from rapid expansion in parts of Melanesia to dramatic decline on islands such as Nauru and Niue.

Weak Governance

Some groups, not all, are afflicted by weak even corrupt administration and pervasive tribal rivalries. Principles around accountability and collaborative government are novel concepts in some Pacific settings. They are not easily reconciled with customary modes of power sharing; long-established, feudalistic and deeply entrenched. The root causes of unrest and internal conflict that are a constant pain in some places are hard to eradicate.

Contemporary illnesses are not the only manifestation of current-day living to be found in the region. Organized crime involving money laundering and illegal drugs already exists. And what used to be termed 'the tyranny of distance', is no protection for Pacific nations against the menace of those who would practice terrorism.

A More Promising Picture

From that sobering analysis it is hard to avoid the Pacific emerging as a weak, vulnerable region ill-equipped to deal effectively least of all on its own, with most of the challenges of the modern era. That's too pessimistic a picture and not a lasting impression I want to leave with you. Pacific Islanders by and large are a resourceful, resilient people. Witness the determined manner in which the Samoans are presently tackling the awful affects and aftermath of the recent tsunami.

Nor is there any mystery about the priorities for bringing about a stronger, more self-sufficient Pacific community of nations. Island governments and leaders, their people, regional agencies, donors and NGOs have long known what's needed and where efforts have to be focused. The 2006 Pacific Plan for regional cooperation identified the short list of prime objectives: security and stability, sustainable development on land and in the deep waters, good governance, economic growth, broader regionalism, and more effective external engagement.

External Engagements

What the last and not least of those objectives means for the region is learning how to integrate better in a global context. In one sense this calls for more appreciation of what's required to hold one's own in a competitive world ; to be consumer driven, respond to market disciplines, deliver quality products, achieve international standards compliance, and more.

Importantly, developing enhanced external linkages holds other implications. In essence it is all about encouraging stronger ties with the region and individual island groups on the part of foreign powers. The motive may be to improve a bilateral link or to persuade a multilateral organization of the merits of a higher regional profile.

The Rise of Asian Influence

In this context; that is, terms of external engagement, the particular point of interest today is the decline in the dominance of the European and North American –based presence in the region that has been the experience of the past two centuries . Interest from another potential source, South America, hardly registers on the Oceanic scale. What is emerging, demonstrably and to an increasingly extent , is a shift to sources of influence that are primarily of Asian origin.

Historic Links

This is not a new phenomenon. One need go back a mere 50 thousand years to discover that most modern Pacific Islanders can trace their ancestry to people originally from the eastern seaboard of Asia.

Another Asian settlement wave occurred in the nineteenth and early twentieth centuries; Vietnamese to the French colonies. Other Southeast Asians to the German territories. And of course tens of thousands of Indians transported to Fiji by the British to work the sugar-cane plantations; by the time Fiji gained independence in 1970 Indian settlers greatly outnumbered Europeans, as did the Japanese settlers in Micronesia, Indonesians in West Papua and Chinese in French Polynesia.

For all that, European and American influence and investment in the Pacific reigned supreme and unchallenged .Until that is, the process of change got seriously underway barely three decades ago. Beyond question the pendulum has swung a long way in that relatively short time. It is not so apparent in areas such as education, entertainment and the framework of government institutions.

Investment

But certainly elsewhere. Asian investment in the Pacific now exceeds that from all other sources; in resource extraction, the services sector, manufacturing and agriculture. Many companies with a long-term Pacific presence and familiar American, Australian, European , even New Zealand names, have majority Asian ownership .Asian tourists now outnumber all others. A heavy Asian component is present in the unfamiliar field and unwelcome though it is , of organized crime.

Competition for Influence

There is also a definite competitive aspect as one of the identifiable drivers behind the rapidly expanding Asian interaction with the Pacific. That's not to say old-fashioned rivalries imported from other arenas wasn't present when Western influence prevailed, but it was less obviously assertive.

What Does the Pacific Offer?

Why should this be so? What is it that the Pacific has to offer that would persuade a group of Asian heavyweights and some smaller players, to attach more than passing interest to their Pacific connections?

The answer lies in at least, three good reasons. No matter whether the vantage point be Wellington or Canberra, Beijing, Jakarta, Manila or Moscow, Singapore or Seoul, Taipei or Tokyo. Dare I say New Delhi. And not to overlook Brussels and Washington.

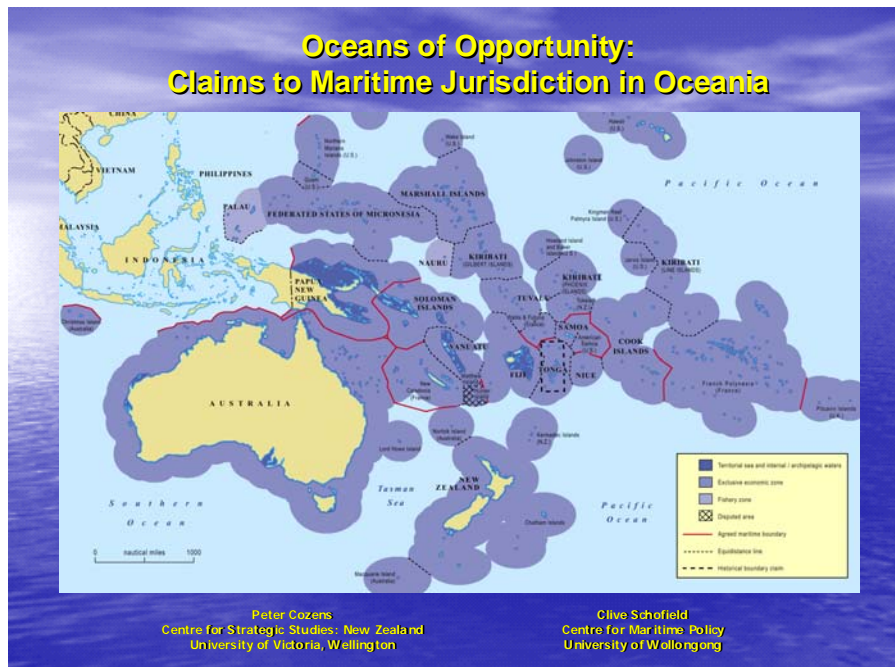
Resources

The first incentive is to obtain access to valuable natural resources; fish, forests and minerals. From a commercial perspective such access preferably comes uncluttered. But if the cost of guaranteed access is to join commissions, sign-up to conventions such as last month's draft on non-highly migratory fish species, and agree to respect quota limits in the interest of sustainable management, that price is seen as worth paying.

Political Support

Secondly, setting aside issues to do with size, population and marginal economic power, the fact is the Pacific is home to nearly twenty sovereign states. In international forums they are each entitled to have a say. Their support can count on crucial votes, especially if they have a united approach. How much official Pacific aid is tied or untied is a thorny issue. "We are happy to fund your new town hall and new tourist venture without any strings attached." "Pardon?". There is a welcome trend towards more aid being made available through multilateral agencies.

Strategic Factors

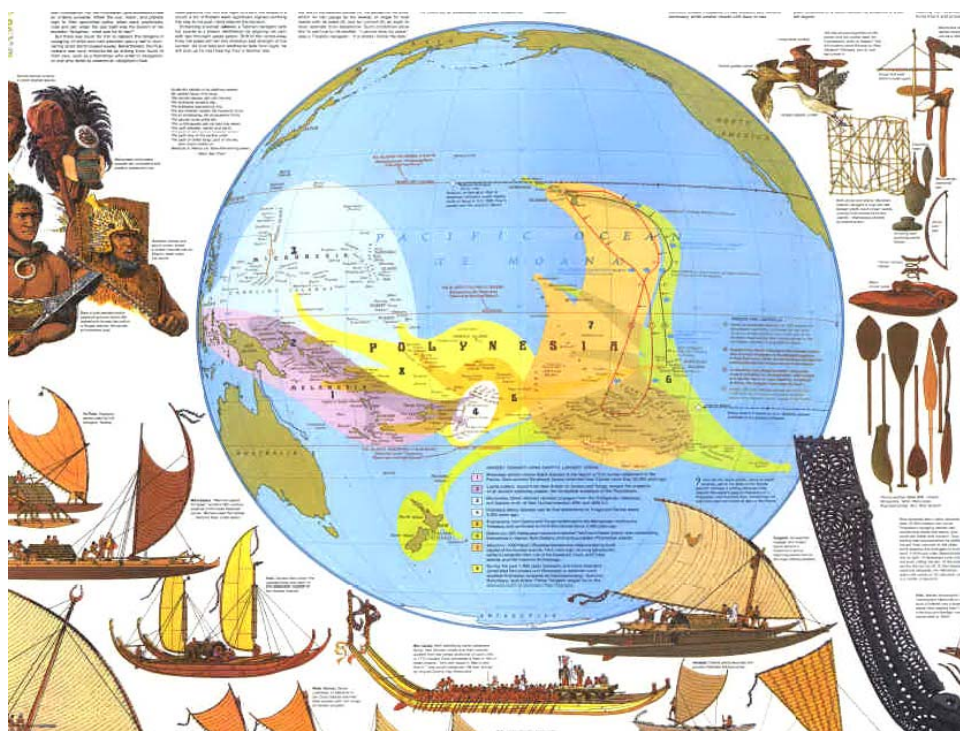


Thirdly, there are significant strategic considerations. They can stem from a need to protect customary sea routes, maintain a credible presence close to disputed atolls, deny easy access to others, deal with illegal fishing and other resource-depleting activities, safeguard inner waters and the outer limits of extended economic zones, and so on.

Whether those perceived strategic imperatives are sufficient to justify the naval arms race, politely called “enhancement”, now flourishing in the north Pacific and mirrored in the Indian Ocean, is another matter. Their recent White Paper seems to signal that our Australian neighbours have already made their threat assessment and identified its implications, with the announcement that they plan to build a new class of submarine and destroyer fleet for their navy.

A similar defence review is proceeding in New Zealand. Its preliminary findings are unlikely to be known until February or March next year. I suspect the underpinning threat evaluation will be less acute or immediate than what the Australians have found and more narrowly focussed.

Where To For New Zealand?



Saying that is not to downplay the significance to New Zealand of the shape of things to come emerging in the Pacific. At one order of magnitude we have little choice but to find new and meaningful ways to maintain the constancy of our commitment in practical, political and human terms, to the well-being of close neighbours. In that setting there is like it or not, an inevitable element of the ‘big brother’ relationship, it will continue to call for sensitive handling.

Bringing us back to earth with a timely thump is the realization that a much bigger global tectonic shift is in play. One that unavoidably spills into the Pacific. Asia has come full circle in that region just as it has returned to centre stage globally.

The consequence is that the ebb and flow of international politics and economics can no longer be viewed largely through the prism of a uni-polar world. The multi-polar world now in its early throes shows signs of thrusting five and as many as eight nations into positions of major importance, jostling and competing for access and influence. India is deservedly one of them.

For its part, the Pacific scene appears destined to become a lot more complicated a place in which smaller states will have to make their way and want to be noticed. New Zealand is one of them.

Thank You

Brian Lynch