

THE POTENTIAL FOR SOVIET PENETRARIION OF THE PACIFIC
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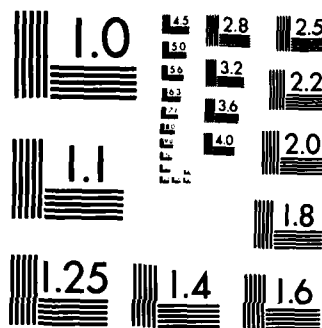
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THE POTENTIAL FOR SOVIET PENETRATION
OF THE SOUTH PACIFIC ISLANDS:
AN ASSESSMENT

DEPT. OF STATE CONTRACT
1722-420078

ROBERT C. KISTE

AND

R. A. HERR

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APR 22 1985
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DECEMBER 1984

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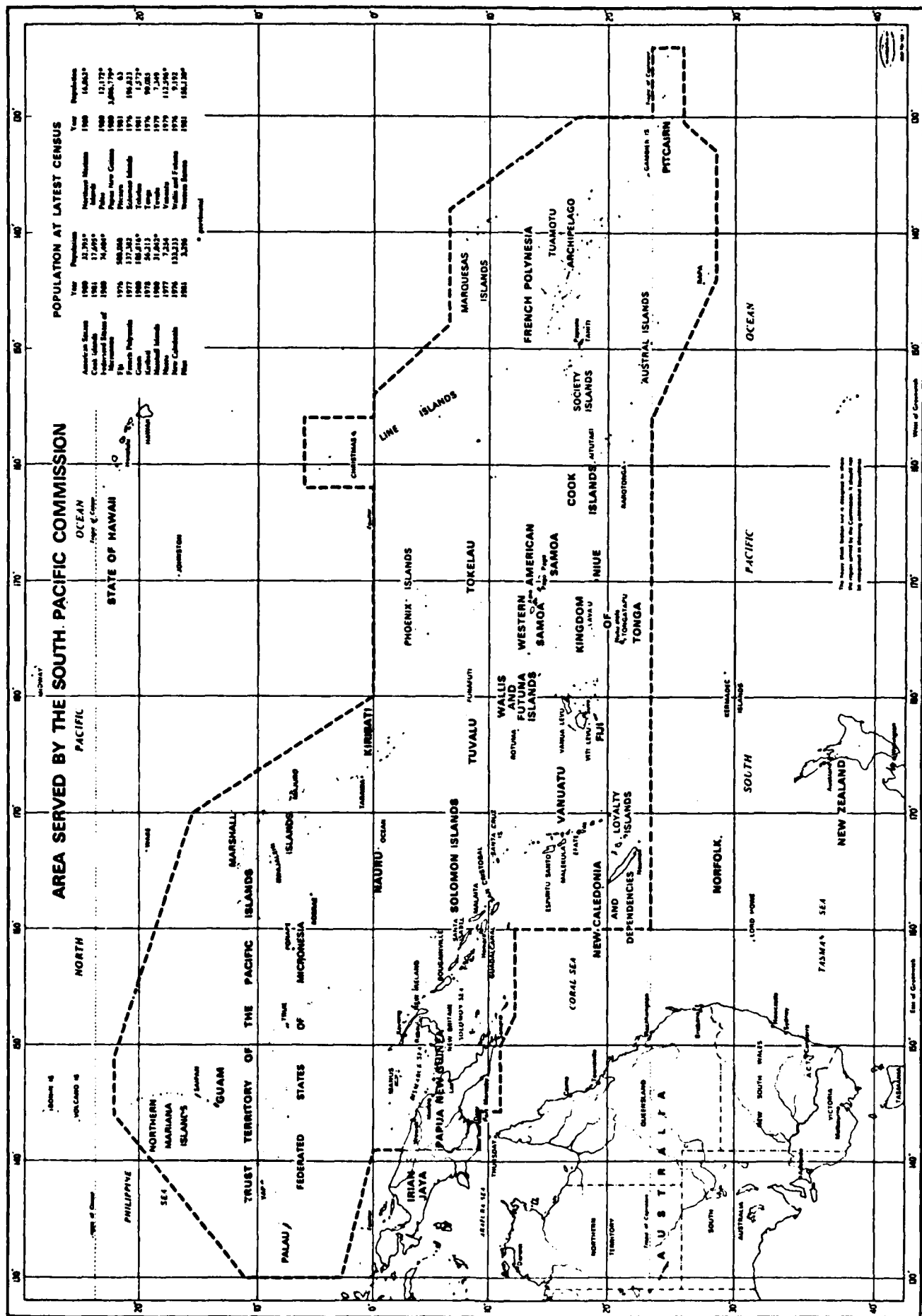
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INTRODUCTION

This is a study in vulnerability. It is a review of the potential for external influence to be introduced into the South Pacific region. As such, the capacity for mischief cannot be limited merely to the Soviet Union or any of its potential surrogates pitting their strength against Island weakness. The circumstance of vulnerability exists with almost equal intensity for most of the South Pacific's microstates regardless of whether the intrusive threat is a major power, including the Western states, or such non-governmental dangers as organized crime and freebooting carpetbaggers. Thus, although the terms of reference commissioning this study stress the Soviet potential to exploit Island vulnerabilities primarily in pursuit of global balance of power objectives, the factors which create these opportunities are not unidirectional. They could also be exploited by a wide range of non-regional actors for reasons which would have little to do with the balance of power.

Nominal definitions of the term "vulnerability" are as straightforward as they are familiar--"exposed," "susceptible to injury," and "open to attack." Thus vulnerability suggests both fragility in the face of pressure and a lack of resilience to change. Operationalizing

*John F. Kennedy School of Government
Harvard University
Cambridge, Massachusetts 02138*

the term vulnerability, however, introduces many vagaries of interpretation. Relativities such as time, place, and circumstance significantly affect the perception of being vulnerable. Indeed, the element of subjective perception is itself crucial to understanding vulnerability in any practical setting. A state which perceives itself to be vulnerable may succeed in reifying its chimeras while a state which does not recognize a genuine threat may contribute by this oversight to its own downfall. As with all matters of judgment, further, the perception of vulnerability will also vary depending on who is making the observation (potential victim, potential aggressor, or third party).

This study is limited regarding place and time. Its locus is the South Pacific region (as defined by the scope of the South Pacific Commission). Temporally this analysis is confined largely to the immediate future (approximately the next decade) albeit some longer term trends are considered. The substance of this study therefore centers first on those factors which create the perception of vulnerability in the South Pacific. (Here, it must be emphasized that use of the word "perception" is not meant to convey an impression that the vulnerability is imagined but rather to suggest "awareness" or "recognition.") Secondly, the study examines those making judgments about Island vulnerability. To keep within the constraints of time allocated for this study, the perceptions of vulnerability have been limited primarily to two sets of observers--the Islands and the ANZUS allies.

A third set of putative interests in the vulnerability of the South Pacific--that of the Soviet Union and its potential surrogates are

treated essentially as constants. That is, throughout this report it is assumed that the Soviet Union would wish to exploit the vulnerability of the Islands at some given point. It is not assumed, however, that this desire necessarily has a high priority in Moscow or that any current deliberate planning has been undertaken by the Kremlin to penetrate the region. Rather, it is assumed that under the right conditions the USSR would seek to involve itself in regional affairs. Thus, the Soviet Union, directly or through some suitable surrogate, could find that the high level of vulnerability in the Islands offers an opportunity for penetration which it could exploit if it deemed the benefits worth the risks.

Elaborating on this point, it should be noted that the Soviets' willingness and capacity to penetrate the region depend upon a series of concrete and intangible factors which would constitute a separate study. Clearly, if force alone were the determinant, the USSR could intervene in the area at any time virtually without effective resistance from local resources. Equally evident is the fact, however, that more than just naked military might is involved. The political will of the Kremlin, the expected advantages, the anticipated costs, the prevailing international climate and similar factors would determine the priority which the Soviets would attach to intervention in the region and this, in turn, would establish a threshold for involvement under various assessments of benefit.

The importance of the concept of vulnerability then to the possibility of Soviet penetration of the South Pacific lies in the level

of risk/cost that the Soviet Union or one of its potential surrogates might encounter in seeking to establish influence in the region. The greater the vulnerability the lower the risk/cost factor, in general terms. Thus, the potential for a successful Soviet penetration of the region increases with increases in the level of vulnerability. Logically it is not necessarily that expansion of the potential for involvement will increase the probability of intervention although pragmatically one would expect some correspondence between the two.

It is beyond the scope of this study to provide a detailed assessment of Soviet priorities in the South Pacific or of the resources it is prepared to devote to achieving these aims. Nonetheless, the Soviet Union does have interests in the Pacific Islands which it pursues, however indifferently, through a variety of avenues. For example, the Soviet Union has sought to achieve a diplomatic presence in the region, an effort which has proved fruitless thus far. It has sought to develop a minor aid network, including the widely-reported offer of hydrographic assistance through CCOP/SOPAC, but most of these offers too have been rebuffed. The Soviets were successful in the mid 1970s in obtaining a large share of the regional cruise ship market. This ascendancy went into a decline as the reaction to the Afghanistan invasion led to a closing of many regional ports to Soviet vessels. Other initiatives in such areas as labor and scientific cooperation have similarly proved less than unqualified successes for the USSR in the region.

While the outcome of Soviet approaches generally reveal a low level of sympathy amongst the Islands for Moscow, the persistent efforts

indicate clearly that the Soviet Union does intend to achieve some improvement in its access to the region if at all possible. Thus, probings for opportunity are likely to continue at least on an occasional basis. Whether any reward for their efforts would be deemed to result from exploited vulnerability depends in part on whether or not one believes the Island states can have normal state to state relations with the USSR. As with former New Zealand Prime Minister Muldoon's defense of his fisheries agreement with Moscow, there is a tendency to believe the asymmetrical relationship is manageable between the Eastern superpower and a Western small state but not between the USSR and a Third World microstate. Nevertheless, it should be noted that not every improvement in the Soviet's relations with the South Pacific will necessarily be perceived to hang on the weaknesses of remote, insular, developing microstates. Virtually every external relationship the Islands have is asymmetrical with the Island country being the disadvantaged party. Since the situation is unavoidable, the Islands accommodate themselves to it without excessive sensitivity. Asymmetry, being normal therefore, it would not be evidence ipso facto that their vulnerability was being exploited from their viewpoint should the Islands accept, for example, a larger Soviet commercial presence in their region.

PERCEPTIONS OF VULNERABILITY

The principle from Newtonian physics that for every action there is an equal and opposite reaction may not apply to all of international

relations but it is rare for an event in international affairs not to contain both positive and negative aspects. And this is true even in the case of the factors which give rise to the Islands' vulnerability. Most of the elements which create an impression of fragility are not unalloyed negatives. While in one context or from one perspective, they create an impression of weakness, in other contexts or from other perspectives, they become sources of strength. The following review of the most commonly recognized factors in Island vulnerability illustrate this point.

With the exception of Papua New Guinea (PNG), all the Pacific Island countries (PICs) are either ministates or microstates both in area and population. Smallness, therefore, is one of their chief unifying characteristics as a region. Smallness is also a principal contributor to the lack of resilience of these countries to changes in circumstance. As David Vital (1974) suggested in his commentary on the inequality of states, small states do not have the reserves of goods, personnel or capital to cope alone with disasters whether natural or man-made. Thus, in the face of such pressures, their reactions are necessarily more constrained than are the options of larger, better endowed states. Yet on the other hand, smallness can have the advantages of intimacy and community endorsed by Rousseau and Schumaker. Subversion by stealth is difficult if not impossible in communities where all members know each other well.

Similarly, insularity is a common feature of this region which contribute significantly to the perception of vulnerability especially when combined with the quality of diminutive size. Islands are easily

isolated and cut off from sources of support or assistance in periods of adversity. Transportation is difficult and subject to interdiction. Thus, since none of the Islands enjoy anything approximating complete economic self-sufficiency (outside the subsistence level), their insularity becomes a source of vulnerability. This situation is aggravated also by the fact that all PICs, save Nauru and Niue, are archipelagoes and so must support "out islands" as well as the central island. Nevertheless, as proved by Great Britain over the centuries, insularity can be a virtue as well as a handicap. In regional terms, the circumstance of insularity cuts both ways also. An external power might be able to succeed in one island group but, as in the difference between Cuba and Indo-China, the "domino effect" tends to be of a lower magnitude where land borders are absent.

Remoteness compounds the affects of both smallness and insularity. Not only are the Islands denied the potential benefits of propinquity amongst themselves, they also suffer the costs of isolation from their markets on the Pacific rim and beyond. Even the two closest populated areas for most of the Islands - Australia and New Zealand - are regarded as small and remote by world standards. And yet the remoteness of the Islands has removed them from any serious geo-political/strategic calculations for nearly four decades. Thus the Islands have been spared virtually all the great power rivalries of the Cold War (in its successive phases) in large measure by their dispersed remoteness.

The economic limitations of the Islands and the possible consequences of this will be discussed in more detail below.

Nevertheless, the lack of attractive economic resources has tended to insulate the Islands heretofore from many sources of external pressure although whether the concomitant losses of economic, transport and communication opportunities were sufficiently off-set might be debated. The discovery or development of significant marine resources will undoubtedly test the capacity of many Island countries to reconcile their economic aspirations with their sovereign responsibilities. Yet, with the exception of fish, the potential here appears sufficiently remote that the context within which such developments may take place in the South Pacific is likely to be shaped to an important degree by events elsewhere.

Island Perceptions

Reports of the colloquium held in Wellington, New Zealand in July 1984 on the special problems of small island states indicate that the primary self-assessed security threat to the Islands arises from their economic insecurity (Commonwealth Secretariat, 1984). While this accords closely with the assessments of their Western supporters, it is an extraordinary perspective in some respects for the regional states to take, nonetheless. It could suggest, for example, there was a belief that the regional sense of relative deprivation might be reaching a critical point. That is, the economic expectations of Islanders were becoming so out of balance with the various Governments' capacity to satisfy these wants that stable government itself might be jeopardized. Some support for this interpretation may be found in the public service

It is quite questionable whether the US can realistically attempt to play such a low key role. The US is inescapably recognized as one of the two superpowers in the world. With the memories of World War II still vivid, a rekindled and increased US interest in the region has led to the expectation that it will be an active and influential player. The US is remembered as an ally who supports and assists its friends. In short, it may well be unrealistic to expect that the US can maintain a low profile in island affairs.

By contrast and with regard to attitudes towards the other super power the Soviet Union begins with a negative image and has created further problems for itself in the region. The Soviet's official stance of atheism and explicit opposition to Christianity make the USSR somewhat of an anathema to Pacific peoples. The Soviet Union is also viewed as having little reticence about throwing its weight around. The reaction to the Russian invasion of Afghanistan in December, 1979 was spontaneous and genuine, and there is some continued generalized fear of the Soviets. A rivalry between the two super powers in the region is desired by no one.

Nevertheless, like the USSR, the US is not above self-inflicted harm. The failure of the US to become a signatory to the Law of the Sea Conference and its stance on migratory species of fish within the 200 mile exclusive economic zones are interpreted as essentially selfish and self-serving stances taken at the expense of the small and relatively poor Island nations. Further, the presence of nuclear powered vessels or vessels with nuclear armaments violates the strong if not passionate

Dorrance (1980:12) has correctly noted, a new generation of leaders is emerging and they "...are more sophisticated, possibly somewhat less moderate or conservative, willing to experiment with change, in some cases more prone to demagoguery, and thus more difficult to deal with." Such changes in attitudes are to some extent reflected in an indigenous Pacific literature that has emerged in the past fifteen years. This literature has in large part been stimulated by and is in large part a product of the founding and development of the two main regional tertiary educational institutions, the University of the South Pacific and the University of Papua New Guinea. Some of that literature contains expressions of resentment and anger as Pacific writers examine the colonial past, missionization, and the process and consequences of their very own Western education. Soviet scholars have been quick to pick up on these themes, and A.S. Petrikovskaia (1983) has provided sophisticated analyses of the indigenous literature.

There is one aspect of the US's image in the region that is a consequence of the fact that it is one of the world's two super powers. When the Office for Pacific Affairs was created within the Department of State in 1978 and an attempt was made to articulate an explicit policy toward the Pacific, it was announced that while the US would establish an increased presence in the region and launch a modest aid effort, America intended to maintain a relatively low profile; it was indicated that the US would be content to have Australia and New Zealand continue to be the major representatives of the Western power bloc in the region.

recently demonstrated when a segment of the Kanak independence movement in New Caledonia invited the Americans to return (Glauberman 1984).

The positive sentiments towards the US have even deeper historical roots which pre-date the war. Americans supported and participated in the missionization of the region, and the mission experience is remembered or held in a good light by most islanders. Older people still favorably compare the post-mission era to pre-mission times, and the latter is referred to as "the age of darkness." Indeed, the Pacific region is one of the areas of the world that is most committed to Christianity.

America's image is also part of the region's generally positive attitude to the Western powers. On the whole and with certain obvious exceptions which spring to mind such as the Maori of New Zealand and the Chamorros of the Marianas, the colonial experience for most of the Pacific was "gentle" when compared to that of Africa or the two Americas. With the exception of Vanuatu in 1980 and the quite recent events in New Caledonia, the process of decolonization has been peaceful with the English-speaking metropolises playing a supportive role. Relations between the recently independent and self-governing states and the English-speaking powers remain cordial while France has and continues to make difficulties for itself.

The present generation of islanders grew up with colonial rule and worked with the colonial administration to bring about the emergence of their new nations. They have tended to be tradition oriented and somewhat conservative, but as long time observer of Pacific affairs John

ideological and great power levels while the two ANZAC states even under conservative Governments in recent years have suffered fewer anxieties over the ideological challenge except as an adjunct to the Soviets' attempt to extend political influence.

ATTITUDINAL AND SOCIAL VARIABLES

The US Image

Former US Ambassador to Fiji, Mr. William Bodde, was quite fond of noting that there is a reservoir of goodwill in the Pacific toward the United States. Indeed, the U.S. has a special place in the oral history of the region, and there is no doubt that Bodde was essentially correct. However, the real question is how long can the reservoir be tapped without replenishment?

With regard to the sources of that goodwill, there are several. World War II made a tremendous impact on the region on at least two levels. On the one hand, America's crucial role in the expulsion and defeat of imperial Japan earned it gratitude and a positive reputation. On the more personal level, the equalitarian behavior of the American G.I. and his generosity with Uncle Sam's goods created a quite positive image of Americans as individuals. This display of American power, material wealth, and technological capability generated respect if not awe and helped precipitate a new wave of cargo cult activity in Melanesia. Still strong and positive feelings about the U.S. were

spectacular lack of Soviet involvement in the region and Moscow's apparent unacceptability leads many in the West to assume that if the Soviets themselves cannot obtain direct access they will seek to have a more acceptable surrogate give them indirect access. Thus the Cuban ties with Vanuatu and New Caledonia and the Libyan connections with New Caledonia and Tonga have created some fears that circuitous but real avenues to the Kremlin have been created or are being sought. Besides these two, potential Soviet surrogates could include China (were a rapprochement with the Soviets achieved), India (along the lines alleged by the present Fiji Government after the last election where the Indian High Commission was said to be a conduit to the opposition for campaign funds), North Korea (which has been attempting to establish contact recently) and Viet Nam (perhaps through former nationals resident in New Caledonia and Vanuatu).

As with some other areas, these are differences of perspectives amongst the ANZUS allies on the likely use of surrogates in the South Pacific. Australia and New Zealand have been more inclined to accept at least some of the activities of the potential Soviet surrogates at face value. Potential surrogates are regarded as having national interests independent of the hegemonic power and thus not all their approaches can be interpreted as covert attempts to gain entry for the USSR. The relationship between Cuba and Vanuatu has been illustrative of this point heretofore. This difference may be conditioned by a variation between the two antipodean members of the alliance and Washington on the nature of the Soviet threat. The US tends to address this equally at both the

sources. While such a logic might not be so compelling in the case of the better endowed microstates, the lure of an easier path to economic advancement could lead to the same result. And, indeed, given the very few policy-makers involved and the absence of a critical and extensive attentive public, a major reorientation could be effected with celerity and with little public comment particularly were the justification grounded in the rhetoric of national economic development.

Heightening such considerations from the ANZUS perspective is the unique geo-strategic complexion of this region. While one might dismiss the general policy of strategic denial as a US objective in every corner of the world, the fact is that in no other major area of the world is the USSR so completely without friends, access, or influence. Thus preserving the Western advantage in this region takes on a particularly defensive cast. Adapting the simile of "a bull in a china shop," the South Pacific often appears to the ANZUS allies to exhibit the fragility of delicate porcelain and, unlike other parts of the globe, the bull is not yet amongst the china. Thus in the South Pacific the ANZUS intent is to keep the USSR out altogether rather than, as in other regions, seeking to limit an already extant entry. This approach thus puts enormous pressure on the allies (from their viewpoint) since it demands complete success and would deem one Soviet victory a virtually complete loss on the West's part.

Not only does the regional strategy tend to exaggerate sensitivities on any Soviet contact with any Island state, it also generates greater concern over the question of surrogates. The

As indicated above, the vulnerability of many of the Island economies are perceived in Canberra, Washington and Wellington to be a critical weakness. That is, all the various sources of vulnerability ultimately take on an economic guise or can be expressed in dollar terms. This judgment is probably felt more strongly in the US than in Australia or New Zealand but all three allies have tended to begin addressing the question of Island vulnerability from the economic factors. This may not be unwarranted (as evidenced by the conclusions of the Wellington meeting) but it can be excessively unidimensional if taken to the extreme. To give one contrary example; many PICs banned visits by Soviet cruise ships after the USSR invaded Afghanistan despite the loss of tourist revenue. In addition, the Western preoccupation with economic vulnerability has tended to reinforce any proclivities in the Islands toward "playing the ANZUS card."

Undoubtedly underlying the ANZUS emphasis on economic development, at least for the smaller states, is the recognition that sovereign entities must meet certain minimum standards of state responsibility. This includes the capacity to maintain a credible government and to carry out the necessary functions of government at the domestic and international levels. If the economic base of the country is inadequate for this onus then either the country loses its claim to sovereignty (de facto or de jure) or bridges the gap with external assistance. If traditional, Western and/or other friendly sources prove inadequate, the exigencies of sovereignty could impel these states to seek assistance from non-traditional, non-Western and unfriendly (to the ANZUS partners)

countries than the Pacific microstates, the speed and ease with which it might be accomplished disturbs thoughtful Island policy-makers. These same elements explain why the destabilization scenario would include structural vulnerability even were the intrusive state a large global power. Paranthetically, it is noteworthy that criminal or entrepreneurial threats to microstate stability are almost exclusively a Western phenomenon and thus a problem as much for the region's Western supporters as for the Islands.

ANZUS Perceptions

The Western allies' views on the region's security are dominated by two essential factors - the extreme vulnerability of many of the regional states and the enormous geo-strategic changes which would be wrought by the introduction of a permanent Soviet military presence. The two themes are closely linked since it is assumed that the weakness of an Island state would be the primary means by which the USSR would gain access to the region. In other words, the Soviet Union either directly or through a surrogate would exploit the vulnerability of an Island country to secure a permanent presence or influence in the region which under other circumstances they could not achieve. (Lesser order threats to the region are perceived by the ANZUS allies, particularly Australia and New Zealand, but these do not impinge on this study in the same way that the Islands' judgment of their existence does and therefore these are not developed hereinafter except as they related to global threat.)

Indonesia pursuing territorial aggrandizement at the expense of PNG. The marine resources grab scenario represents the region's growing anxiety over its incapacity to protect the one avenue for economic self-sufficiency apparently open to the less well endowed states. Since this matter touches upon the very issue of sovereignty itself, its salience has grown particularly as the experience of independence has witnessed the closure of so many other avenues of economic hope. Today one would expect the central Pacific states to give this category their highest priority. Notwithstanding the level of concern, however, the problems raised here are not altogether dependent on the individual weakness of the state or their collective incapacity as a region. The international regimes are recognized to moderate these deficiencies and hence the Islands have pursued, for example, an active participation in the United Nations Convention on the Law of the Sea III.

The one unmistakable expression of reservation by Namaliu on the vulnerability of the region's microstates stems from the prospect of destabilization for ideology or profit. At the upper end of the power continuum, this issue merely illustrates the asymmetrical distribution of power in the state system but it is at the other end of the continuum where the real fragility of the smaller Island states is revealed. The PNG foreign minister's scenario would include destabilization of a Government even by a group of entrepreneurs (legal or criminal) seeking to maximize profits, to obtain a legitimate cover for illegal activities, or to secure a once-only windfall gain by fraud or deception. While such events have been observed elsewhere and have involved much larger

endorsed by most FICs as given. And interestingly the issue of microstates vulnerability is central only to one of Namaliu's six categories - destabilization for profit or ideology. It may also be a significant factor in the question of marine resources but this is not necessarily implied.

The impression given of the region's threat perception in Namaliu's assessment is one of relatively low levels of danger, where major sources of concern are seen as arising from domestic considerations and which are appraised in fairly mainstream international relations terms. One of the more important implications of his judgment is the high degree of regional stability which is perceived to exist were the Islands left to their own devices. The two most probable risks are not region-wide and could only acquire this character as a result of deliberate escalation. Since the Forum has resisted accepting a regional security role, it may be assumed that the Islands would unlikely to initiate such an escalation. Further, the least likely threat is considered to be an attack by one Island state on another indicating a belief that the Islands already constitute an effective security community amongst themselves.

The three categories in which the threat is initiated by external influences are rated as only marginal to moderate in their likelihood. External threats are regarded as somewhat remote in part because of the absence of propinquitous hostile states and in part because the region is so far removed from the more recognized arenas of great power rivalry. Indeed, the only present candidate for an unprovoked attack would be

self-sufficiency, is remote for perhaps a majority of the FICs. From the Island perspective, economic vulnerability must be assessed both in terms of practicalities and pride. Thus, although development is regarded as crucial, an artificially high, aid-generated standard of living would not be deemed an acceptable permanent solution by the elected elites.

Although offered by a single individual rather than a group and clearly colored by the concerns of his country, the perceptions of regional threat offered by the PNG foreign minister, Rabbie Namaliu (1983), are closer to being a more conventionally useful Island assessment than that which emerged in Wellington since it is more elaborate, detailed and centers on physical threat. Namaliu offered this assessment at an August 1983 national conference of the Australian Institute of International Affairs: intra-regional conflict (slight); an unprovoked attack on an Island country by an external power (also slight); destabilisation of an Island state for profit or ideology--including great power rivalry (rather more likely); conflict over access to the region's marine resources (also moderately possible); domestic instability in New Caledonia (more likely yet); and domestic internal threats to individual states (the greatest security risk).

The designation of domestic instability as a primary source of threat doubtlessly reflects PNG's continuing preoccupation with secession. Had a Tuvaluan or Western Samoan given the address, this factor may not have featured at all or only received mention in the particular context of the Melanesian states. This qualification apart, the list and the relativities assigned each category would probably be

wolf!" Nevertheless, in such matters it is acknowledged that the countries of the region act individually (what ever the collective benefits) and unevenness in the quality of leadership prevents one ruling out entirely that an Island state could deliberately pursue a course of "playing the ANZUS card." However, the palpable concern of many Island leaders at suggestions of Soviet, Cuban, and/or Libyan involvement in the region indicates strongly that the strategy is scarcely a coherent regional policy and that there is some general resistance to it being used by individual states as a bargaining position with the West.

Undoubtedly the interpretation preferred by the Wellington participants, however, would be that the Islands' economic limitations make them especially vulnerable to external influence. The perceived threat here is a general one--that is, the compromise of sovereignty originating from economic distress is as likely (indeed, probably more likely) to arise from financial dependence on Western friends as from Eastern bloc efforts to buy their way into the region. As noted earlier, this opportunity for a Soviet or surrogate entree would be indistinguishable from any purely commercial arrangement initially and could be defended by the recipient Island state as exclusively economic. Such was the pattern with the Soviet cruise ship visits when these began and seems likely to be the justification to be offered for the current round of USSR fisheries proposals should these be accepted. The insidiousness of this danger derives from the fact that, as noted in the section below on economics, the prospects for even an approximation of the one acceptable solution to this problem, moderate economic

South Pacific in general apparently perceive relatively little immediate danger to require defense expenditure. Indeed of the nine fully independent Forum Island countries (FICs) only three (Fiji, PNG, Tonga) have regular defense forces. Two others have a para-military capacity (Solomons and Vanuatu). The rest (Kiribati, Nauru, Tuvalu and Western Samoa) rely on civil police to carry out enforcement and protection responsibilities against external threats (although Western Samoa does have a treaty of friendship with New Zealand and Kiribati and Tuvalu have such an arrangement with the US). Not only do the Islands make few provisions formally for their own defense, even those states which do appear to spend relatively modest sums. The World Military and Social Expenditures 1983 shows Fiji spending under half the developing nations' per capita average defense expenditure while for PNG the figure is even lower with something just over a third this average. It may be, on the other hand, that the comparatively low expenditures on defense represent a phlegmatic fatalism in the face of genuine dangers against which the Islands have no hope for effective counter-measures.

A third interpretation of the Wellington assessment is possible. It may be that the identification of economic security as the issue represented another variation on what is often described as "playing the ANZUS card." Typically this strategy (if indeed it is genuinely employed) is to raise the prospect of a Soviet aid offer with the implication that the offer ought to be countered by increased aid from the region's traditional friends. Such an interpretation, however, would be grounded in a rather cynical view of the Islands' willingness to "cry

strikes in recent years in Kiribati, Western Samoa and the Solomon Islands. Yet, overall all the evidence here is meager. Indeed, the Solomons were believed to be on the verge of curtailing some external assistance based on a reassessment of the ability of the country to absorb the levels of aid it was receiving only months before the November 1984 strikes. It is true that the sense of relative deprivation does not depend solely on objective measures of aid received (the Pacific Islands receive the most of any area on a per capita basis) nor on the eventual economic prospects of the country. Further, the relativities are based in the South Pacific less on neighboring Islands and more on the rim countries - Australia, New Zealand and US - to which so many Islanders have migrated or visited for education, work experience and the like. Nevertheless, the expected indicators - spontaneous economic protest by idle workers and/or disgruntled consumers, formation of subversive political groups, direct action against the regime, and the like - are conspicuously absent.

Secondly, at the other end of the continuum, it may be that, of the perceived threats to the region, the set of opinions present in Wellington simply identified the principal molehill on an otherwise fairly flat horizon. If this were the case, the identification of economic vulnerability as the main danger to the Islands would be merely a reflection of the lack of credible alternative threats. Again, there is also some evidence to suggest this could be the case. Assuming there is some correspondence between the perception of threat and the level of expenditure Governments devote to protecting against the threat, the

sentiment for a nuclear free Pacific that is favored by the vast majority of the region's countries.

Educational Aspirations

Turning to some internal variables, there are other consequences of the mission experience. Because of their desire to place the Bible in the hands of their parishioners, the mission teachers engaged in an educational effort which resulted in one of the most literate population in the world. In most Island nations, an exception would be PNG where extensive contact with large numbers of people in the highlands is only relatively recent, about 90 percent of the people are literate.

Education in itself is highly valued. Attempts to emphasize more productive agricultural and fishing techniques in high schools in order to raise the quality of rural life have consistently failed. Like people most everywhere, islanders want their children to be educated, and they want their education to be Western in style and relevant in content. It is seen as the only ticket to success and salaried employment, and a university education is the ultimate prize.

As indicated above, there are two major universities in the region. The University of the South Pacific (USP) is truly a regional university which opened its doors in 1968. It is supported by and has students from eleven nations south of the equator. The main campus at Suva has a student body of approximately 2,000, and an additional 6,000 are enrolled in courses at nine or so extension centers. USP's Agricultural College is located in Western Samoa. Sociologically, USP is

an important institution. Many of its graduates now occupy positions with their home governments, and they form a network of government functionaries across the region who have ties from their student days.

The University of Papua New Guinea (UPNG) was founded in 1965, ten years before the nation became independent. The main campus is located in the capital at Port Moresby and the Teacher's College is at Goroko in the eastern highlands. In 1981, there were about 2,000 full-time students and 400 part-time. While UPNG is primarily a national university, there is a minority of students from Fiji, Irian Jaya, Solomon Islands, Tonga, US Trust Territory, and Western Samoa. Like USP, many of UPNG's graduates are now in government careers.

While there was a quite politically active student body at UPNG in the late 1960's and early 1970's, the primary concern was the shaping of a new nation. In the context of the conservative and tradition oriented milieu in which they are situated, the two universities appear to some observers to be hotbeds of change if not radicalism. In reality, neither UPNG nor USP can be described as an institution with radical ideological leanings. Rather, both are determined to be fiercely independent and ever watchful for signs of neo-colonialism.

In the last two decades, education at all levels has become more and more the responsibility of the government, and even in rural areas, they have been expanded to involve a greater number of students for a greater number of years. Similarly, the flow of communication has also increased immensely since the war. Virtually no place is out of the range of radio today, and the number of indigenous language publications

has increased. Television remains the rarity and is mostly limited to American and French administered areas. With both increased communication and education, aspirations are higher than ever before, and they will be increasingly difficult to satisfy given the available economic base. Compounding the problem, and as will be discussed, the Pacific population is also a youthful one with about half of its total being under the age of 15 years. Not only are aspirations higher, and becoming increasingly so, there are simply more and more people with those aspirations.

A New Myth?

Within the region today, one hears much about the "Pacific Way." The term was popularized by the now Prime Minister of Fiji, Ratu Sir Kamisese Mara, at the South Pacific Conference at Lae in 1965. It is usually said to refer to a particularly Pacific style of conducting business and interpersonal relations. Pacific peoples are said to act with consideration and appreciation for one another. It is claimed that decisions are arrived at by consensus after everyone's opinion has been listened to with respect. Peacefulness is the proper form of demeanor and confrontation is to be avoided at almost all costs.

By and large, the notion of the "Pacific Way" appears to Westerners to be a myth. At the Islanders level, however, it has a constructive function in that behavior at conferences and meetings of government officials is shaped by the notion. Some observers interpret the "Pacific Way" also to mean that the Pacific has been passive and that their

history has been characterized by non-violence. In reality, and before European contact, Pacific peoples and societies were no more peaceful than other areas of the world. In Polynesia and Micronesia, powerful chiefs who headed socially stratified societies were commonly at war with one another in attempts to extend their respective domains. In Melanesia, the politically autonomous social unit was and is no larger than a small village or hamlet, and conflict among them was a common state of affairs.

With regard to the conduct of regional affairs past and present, attitudes of cultural and racial superiority have their consequences. From the outset of the contact period, Europeans tended to glorify Polynesian cultures. They viewed their chiefdoms and often highly stratified societies as being superior to the small village level polities of Melanesia, and not surprisingly, they favored the lighter skinned over the darker skinned islanders. (In fact, for a long period, the Mormon church did not attempt to missionize the Melanesians because they were not thought capable of salvation.) Polynesians adopted these notions of their own superiority, and such sentiments were strengthened when they were enlisted to help carry the mission effort into Melanesia. Decolonization and self-government came first in Polynesia, and this was accompanied by further self-congratulation.

Understandably, there is some resentment on the part of Melanesians, and they are sensitive to matters of race and any suggestion that they are culturally less advanced. Indeed, at the South Pacific Conference in Noumea in October of this year, the idea that no Melanesian

might be among the top three offices of the South Pacific Commission was clearly unacceptable, and some racial balance was demanded.

With the exception of the Kanaks of New Caledonia, Melanesians today take great pride in that they are not only independent but they are the "big boys" on the block. They have the largest populations, the largest resource bases, and the largest islands. They do share a strong racial identity and that identity is reinforced by the fact that they share a pidgin English and refer to themselves as wantoks (people of one language). The independent Melanesian states tend to act with some unity in regional affairs and one hears references to the Melanesian Alliance.

Internally, matters of race are of political importance in only two countries. Fiji's Indian population is estimated at about 326,000 as opposed to 290,500 indigenous Fijians. Political parties are divided along racial lines. Explicit racism was evident in the last several elections. Some racial tension clearly exists and could potentially result in civil strife. The Melanesians in New Caledonia are a minority in their own land, approximately 64,000 of a total population of 144,000, and the long history of racial discrimination accounts for much of the current unrest in that country.

Sociological Variables

Pacific countries have predominately rural populations, and there are only a half dozen areas that are truly urban: Agana, Apia, Noumea, Papeete, Port Moresby, Suva. The latter two are the largest: each has a population of about 125,000, but these are not large by world standards.

With the exception of the Kingdom of Tonga, all of the independent and self-governing states have democratic governments, and most of the dependent countries exercise a considerable amount of internal rule. Most governments are headed by relatively small educated elites, and the vast majority of the most rural populations know little about governmental affairs. For example, for many peoples of the highlands of PNG and the remote areas of other countries, the national governments have little impact on the daily lives of their citizens.

One major consequence of the nature of the small governing elites and their lack of communication with large segments of the populations is that decision making is almost totally in the hands of a very few individuals. While leaders are quite sensitive to any perceived infringement upon their recently gained sovereignty, they are easily accessible and the style of leadership is generally quite relaxed and informal. In fact the availability of the region's leaders comes as a surprise to most outsiders, and there is almost no concern for security matters.

The small number involved in decision making is especially true of regional or international affairs. The recent strengthening of US ties and relations with Fiji, for example, is perceived as mainly the result of the personal relationship that former Ambassador Eckert developed with Ratu Mara.

Heads of government and other leaders in the Pacific tend to know one another fairly well. The heads of the independent and self-governing states see each other annually at the South Pacific Forum Meeting.

Others meet at the annual South Pacific Conference, and there are other occasions which bring top level officials together. As one consequence of their familiarity with one another, there is a certain amount of peer pressure which tends to forestall any radical decisions, but recent events in Kiribati indicates that there is no certainty that it can be relied upon to be effective. Because of their physical isolation, there are times when countries may be more or less out of touch with the rest of the region, and there is no means of keeping track of all that may be occurring. Somewhat surprising, there is clear evidence that the heads of governments are not always aware of the stances and positions that their South Pacific counterparts have taken even though these are reported in the regional media, especially Pacific Islands Monthly and Islands Business.

Other than the educated elite, government bureaucracies are frequently inexperienced, under staffed, and have only minimal levels of education. There are distinctly non-Western ways in which those bureaucracies function. Traditional values play a large role in the management of business. Obligations to one's extended family and large network of kinsmen often take precedence over all other concerns. What would be considered nepotism in the West is accepted or at least not particularly frowned upon, particularly in the smaller island states. Outsiders frequently find these facets of the Pacific region irksome, and Westerners' lack of understanding may lead to a sense of injury on both sides.

Summary Comments

While the majority of Pacific countries are lacking in resources and have economies that are vulnerable to a wide range of both internal and external variables, there are several features that could be viewed with some optimism. At the present time, there is little abject poverty, and with the exception of some urban centers, subsistence needs are being met. Approximately 85 percent of the region's population of a little over 5 million people is located in the five Melanesian nations, i.e., the countries with the largest islands and the greatest resource bases.

It should be realized that the Micronesian and Polynesian states, possibly including Nauru by the turn of the century, will likely require continuing external assistance. Development and assistance plans which include unrealistic goals of economic self-sufficiency can be exercises in delusion and have the harmful consequence of avoiding reality. A reduction and not a complete absence of dependency upon outsiders is a more realistic goal. Everywhere, colonial legacies have left relatively high expectations, and it would seem that for political reasons, these may well have to be met.

With regard to trade unions and with the exception of Fiji, it can be said that they are in their infancy. It seems, however, that their potential importance should not be overlooked. It is significant that the six countries with trade union movements are all among the nine independent nations. The three independent nations without trade unions are Nauru, Tonga, and Tuvalu. Legislation exists in Tonga for the registration of unions, but none have been formed or registered.

ECONOMICSGeneralizations

There has been a number of recent studies which review various aspects of the economic systems of Pacific nations, and they tend to be fairly repetitive. Compared to larger nations, the economies of most small island states are fragile, and the numerous studies take the same observations time after time (Commonwealth Secretariat/SPEC 1982; Fairbairn 1984; Fairbairn and Tisdell 1983; Hamnett, Surber, Surber, and Denoncour 1984; Kakazu 1984; Legarda 1984; Rizer 1981; Tsusaka 1984; UNCTAD Bulletin 1983-84; Ward 1983.) The recent Jackson report (Australian Government Publishing Service 1984) which reviews Australia's overseas aid program follows in the wake of the other studies and is in basic agreement with them.

While there are exceptions particularly in Melanesia, a number of characteristics are common to the majority of Pacific countries. The first are a set of items that reflect the smallness of island economies. There is a narrow range of human and non-human economic resources. Land areas and populations are relatively small. There are few exports, and in a good number of cases, countries have only a single cash crop, copra. With four exceptions, known mineral resources are practically non-existent. Total exports are so miniscule that they have no impact on world prices. Domestic markets are also small, and as most countries have the same products, there is little in the way of intra regional trade.

Secondly, there are marine resources. A major portion of the world's annual tuna catch comes from the Pacific. To date, however, license fees which permit distant nation fishing industries to operate within their 200 mile exclusive economic zones have been of only minor significance for most island economies. Some sea areas are rich in minerals, particularly manganese nodules, but the technology to exploit these resources is not yet available and/or economically feasible.

A third set of factors relate to geographical isolation and remoteness. Distance from world markets make for high transportation costs. Surface and air shipping rates for commodities and air travel are among the highest in the world. These impediments to economic development are being accentuated by containerization; large container bearing vessels call at fewer and the largest ports. Jumbo jets require fewer fuel stops, and with increasing frequency, they overfly Pacific Islands. For archipelagic nations, there is also domestic fragmentation which creates logistic problems and further increases shipping costs.

Fourthly, the islands and their economies are vulnerable to natural disasters. Typhoons or cyclones have devastated portions of Fiji, Tonga, and Guam in recent years. All of Micronesia suffered a prolonged drought with the El Nino phenomenon of 1983. Insects and plant diseases can devastate agricultural production. For example rhinoceros beetle can, and did, in the case of Palau a couple of decades ago, destroy the productivity of a nation's coconut palms. Today, another insect, Myndus Taffini, is producing and transmitting a virus which kills coconut palms.

Fifthly, the smallness of economies also implies diseconomies of scale in both the public and private sectors. Investments in economic and social infrastructures such as roads, ports, airports, power and communication facilities, water supply systems, health and education systems, and other social services require a minimum size below which they cannot be operated economically. In the private sector, small economies cannot produce the range of goods and services that larger systems can. As a consequence of the diseconomies of scale, governments are depended upon to provide most basic services, and they do so at a deficit. At the same time, and in most cases, they are the single largest employers.

Demographic variables are having and will continue to have profound consequences for Pacific economies. While there are substantial differences between countries, most are experiencing fairly rapid expansions in the sizes of their populations. For all of the Pacific region, the population growth rate was about 2.3 percent for each of the years 1977 to 1982. At this rate, most populations will double in the next thirty years or less. The rate of increase, however, may well be even greater. Between 40 and 50 percent of island populations are under 15 years of age, and when this portion of the population reaches marriage and child bearing ages, the speed of population growth is quite likely to increase.

Further complicating and adding to the pressures on island economies is increased urbanization. While most populations are still predominately rural, there is an increased rural to urban shift in their

demographic structures. The infrastructures of urban centers are experiencing increased strain, and underemployment in urban areas is growing. At the same time, there is a shortage of skilled personnel, and the use of expatriates is still required at considerable expense. In many rural areas, the most energetic and youthful adults depart, and the reduced population of the aged and very young do not constitute a sufficient work force, and land is left underutilized.

Pacific economies are also dependent upon and are thus vulnerable to a number of external variables. With the exception of Nauru, all are dependent to some extent on foreign aid, and in most cases, the dependency is of major proportions. Imports constitute a major portion of most economies with the consequence that deficits in trade balances are chronic concerns. A large proportion of imports are foodstuffs and petroleum products with the latter accounting for 40 percent of imports in recent years. Dependency on imported foodstuffs make island countries particularly vulnerable, and heavy reliance upon imports in general makes island economies subject to global market fluctuations over which they have no control. Dependency upon aid may render them subject to the designs of donors.

Country Profiles

The Jackson report discusses the independent and self-governing counties, and these are considered first in this study. Clearly, the Melanesian countries have the largest resources bases, and as a consequence, they have the potential to be economically less vulnerable

to external forces. Such variables as population size, land areas, and population densities are more important in the independent nations than in those still under metropolitan rule. In every instance the latter are subsidized, and in most instances, they are heavily subsidized, and they are likely to remain so.

Papua New Guinea and Fiji, the region's two giants, are in a class by themselves, and many of the foregoing generalizations in fact do not apply to PNG. Its population of approximately three million people constitutes about 60 percent of the entire region's people, and its large continental land mass has substantial resources which range from gold, copper, and other minerals, timber, and a wide range of agricultural crops. PNG is in close proximity to Australia, and as the Jackson report indicates: "Australia has a special relationship with Papua New Guinea." Indeed, 1983-84 aid to PNG is more than \$A300 million, a sum which represents over 36 percent of Australia's total aid program and 30 percent of PNG's central government revenues.

In spite of the magnitude of Australia's aid to PNG, there are several variables which threaten the economy of the welfare of the nation. There is a large public service and the system of 19 provincial governments is terribly expensive. Development since independence has been slow and uneven. There are regional inequalities and development programs are compounded by difficult geography. The economy is fragmented into a number of very small regional economies based in Port Moresby, Lae, the highlands area, and the North Solomons with even smaller ones at Rabaul, New Ireland, Popondetta, and Madang, and most

recently, the Ok Tedi mine. Transportation costs between these regions are high, and with the exception of Port Moresby and Iae, the regional economies are too small to support most service or manufacturing activities. There are severe problems of internal law and order which must be solved. Potential conflict with Indonesia over the border with Irian Jaya remains a possibility, and since the Jackson report, the island provincial governments (those off the mainland of Papua New Guinea) have threatened to mount an organized secession effort. Regardless of what develops, and because of PNG's economic and strategic importance to Australia, it is certain that Australia will closely monitor developments in that nation.

Fiji's population of about 635,000 is second only to PNG, and the country's total land area of 18,376 sq. km. is among the region's largest. The country's economy is the most developed in the Pacific. Fiji is well established as the major entreport in the region, and it has a substantial tourist industry. It is a major sugar producer and has the potential for increased outputs of beef, timber, and other agricultural products. The work force is the largest and the most skilled in the Pacific.

Fiji is not without its difficulties, however, and as the Jackson report notes: "Partial dependence on donor technical assistance, difficulties in promoting exports successfully and a large bureaucracy are some of Fiji's main problems." Not mentioned are tensions between Fijians and Indo-Fijians which could become greater and result in major disruptions in the country.

Papua New Guinea - An enormous country with a concomitantly large coterie of domestic political problems. Secession based on ethnic, geographic, or historical/administrative divisions continues to plague the country on the verge of completing its first decade as an independent state. Political parties provide some institutionalized unifying influence but, as revealed in the November 1984 leadership struggles, even PANGU, the most successful of the PNG parties has deep factional divisions based on personalities and region. Law and order has been widely recognized internally as a crucial test of stable government both in the capital, Port Moresby, where crimes of personal violence and against property have led to public protests and in the countryside where inter-tribal warfare erupts periodically. Disappointment with the pace of economic development, especially given the country's abundant natural resources, appears to be a rising source of political discontent.

Solomon Islands - Regional loyalties are politically salient in the Solomons and have produced a provincial system now beset with various problems of implementation albeit not of the magnitude of PNG. Economic development is a politically sensitive issue

services the tiny dependency) but there are no known major sources of domestic instability at this stage.

Kiribati - The responsibilities of sovereignty weigh heavily. In terms of domestic politics this has emerged as a very high concern for development at the chief executive level. General popular discontent does not appear to be the origin of this anxiety, although the public service strike noted earlier did put genuine economic pressure on the Government which it would not wish to see repeated.

Nauru - Aging leadership and appropriate investments for a future without phosphate royalties are the major domestic issues.

New Zealand - No obvious grounds for internal instability in the Tokelaus, New Zealand's only remaining dependency.

Niue - The capacity of this miniscule freely-associated state to maintain the responsibilities of government in the face of continuing population decline has received some domestic attention.

a greater discussion of the independence option for this self-governing country, the large Cook Islander population in New Zealand makes a sudden demand for full independence unlikely.

Fiji - The racial question mentioned above finds an echo in virtually every domestic issue from admissions to the University of the South Pacific to the ownership of land. Fiji has all the usual internal problems of a growing and sophisticated developing country but none appears as potentially destabilizing at the national level as race. A major economic reversal or the appearance of excessive economic dependence could be exploited by a non-racial political group in an effort to undermine the existing regime although efforts in this vein in the past were scarcely credible.

France - Decolonization and its attendant complications are the major source of domestic destabilization particularly in New Caledonia. However, the anti-nuclear sentiment in French Polynesia has been a catalyst for political action against the colonial authorities there but usually amongst the same groups which favor decolonization. Wallis and Futuna's future appears to hang on the fate of New Caledonia (which

cabinet of 15 out of a total parliament of 38. PNG by contrast, ensures that the Government's backbench is larger than the front bench by a constitutional provision which limits the cabinet size to one quarter the numbers of the total parliament. The extraordinary prominence of the public service in the money economy of the smaller states particularly creates severe pressures on government since the relatively few salaried jobs are linked directly to government activity. The formation of a government of national unity (GNU) in the Cooks recently may represent an attempt to coopt opposition. GNUs have been proposed previously in Fiji and PNG. The reemergence of secession pressure in PNG clearly is an importance in that country but the geographic dispersal of power is a domestic political factor in Fiji, Solomons, and Vanuatu. As identified by the mid 1984 meeting of regional police chiefs, drug traffic through the South Pacific appears to be growing and any increase in organized criminal activity is likely to give rise to increasing opportunities for corruption.

A brief survey of current or possible domestic political problems will serve both to reveal how removed from so many sources of political instability in Third World are the South Pacific Islands as well as to flag those issues which may cause an internal erosion of domestic practices. The FIC states are listed in alphabetical order while the dependencies are treated under the rubric of the metropolitan authority.

Cook Islands - Some official corruption has been evident in the past. Although there has appeared to be

circumstances where political corruption was found (the Cooks and Western Samoa) and the Queen's representative or the courts had to intervene or where the electoral result was sufficiently ambiguous to require use of the Governor-General's discretionary powers (Fiji), the ensuing Governments were accepted as legitimate and established political practice allowed to proceed.

Threats to the region's basic democratic domestic order can be categorized under two broad headings--changes which would result in a state's ideological realignment and changes which would result in corrupt or repressive regimes independent of ideology. The ideologically-based developments presumably could involve a rejection of current Western democratic traditions and the imposition of non-democratic practices on the grounds of ideological necessity. A regime which found itself embattled or a group which seized control for its own gain might also subvert democratic procedures to entrench itself in power. Either category of anti-democratic change would give an opportunity to the Soviets since the regional state affected would be politically so far out of step with its fellows that any regional opprobrium attached to such international adventurism would scarcely be considered.

Yet, as noted above, the risks of a major domestic political deviation would have to be regarded as very slight based on the region's record. One draws a long bow to find cause for concern but there may be some indicators worthy of attention. Executive dominance of the legislatures is growing in a way which is contrary to conventional Westminster practice in some cases. For example, the Solomons have a

over wage disputes and caused the cancellation of air flights to and from the country. In late November it had returned to work and negotiation with the government were continuing.

DOMESTIC POLITICS

Economic fragility may be the prime source of Island vulnerability but, unlike other areas of the world, this potential for instability has found little reverberation in the domestic political process. In terms of internal stability, the Islands' political record is impressive despite the slow arrival of decolonization in the region. It stretches from the independence of Western Samoa in 1962 to the present with scarcely a blemish and includes the transition to independence or self-government of eleven countries. Throughout this period, there have been no violent changes of government, no military coups, no civil wars, and no bloody rebellions. Political conflict even at less extreme levels has been rare and the constitutional forms have been observed even in the face of damaging and controversial issues involving public trust in the regime.

Perhaps the most crucial test of a state's democratic institutions is the capacity to change leadership routinely and smoothly. This test has been passed by more than half the FICs since independence (Cook, Nauru, PNG, Solomons, Tuvalu and Western Samoa) while all the remaining five (Fiji, Kiribati, Niue, Tonga and Vanuatu) have held open, vigorously contested elections which reelected the independence leadership. Even in

In Western Samoa, there are only trade unions in the public sector. The Public Service Association is the major organization with approximately 3,000 members.

In Vanuatu, there are 12 newly registered unions in the Vanuatu Trader Union Congress with a membership of about 2,000 in 1984. Unions are found in both the private and public sectors (Ibid). Industrial relations have been tranquil, and machinery for the peaceful settlement of industrial disputes as provided in the nation's Joint Labor Regulations is rarely needed (Pacific Islands Yearbook 1984:478).

In PNG, there are 64 registered trade unions with an approximate membership of 58,000. The largest union, the Public Employees Association, has about 22,000 members and is not affiliated with the national center, the Papua New Guinea Trade Union Congress. Unions are found both in the private and public sectors.

In the Solomon Islands, there are four trade unions. There is no formal national trade union center, but a Trade Union Coordinating Committee may develop into a formal structure. The number of union members is around 16,000. Of these the vast majority or 13,000 are members of the Solomon Islands National Union of Workers. It is the union affiliated with the WFTU, and some of its members have reportedly travelled to Moscow. The leader of the union originally sought affiliation with the ICFIU but was rebuffed by what was apparently a joint misunderstanding. The union has much of the personality cult of its leader, and it has grown because of his dynamic personality. The smaller 2,000 member Public Servants' Association went on strike recently

As one might anticipate from the advanced state of its economy, trade unionism was first established and is the strongest in Fiji. About half of the paid employees of the country are unionized. There are 46 registered trade unions in the nation with a membership of a little over 40,000. Until recently, there were two national trade union centers, the larger Fiji Trades Union Congress (FTUC) is affiliated with the International Confederation of Free Trade Unions (ICFTU), the predominately Western oriented labor organization. The smaller Fiji Council of Trade Unions (FCTU) was affiliated with the WFTU. The FCTU, however, has ceased to exist and the last affiliated union has joined the FTUC. The ICFTU was always the much stronger of the two.

Elsewhere, trade unions in Kiribati and PNG have affiliations with the ICFTU and trade union centers in Western Samoa and Vanuatu are applying for membership. Only one trade union in the Pacific, the Solomon Islands National Union of Workers, is affiliated with the WFTU. (ILO Fact Sheet 1984).

In Kiribati and Western Samoa, unions have been strong enough to help unseat or threaten to unseat their parliamentary governments. In Kiribati, unions have developed in association with particular companies of the government service. The Public Employees Association and the General Workers Union (BATM) have taken rather militant stances at times. There is some opinion in Kiribati itself that perhaps such an economically vulnerable nation cannot tolerate so much union activity. Indeed, some of the most militant stances have been taken when the nation's president was attempting to have it live within its own means.

incurred, and Palau is in the process of incurring, a large debt to Britain for the financing of electrical generation plants. In addition, the Marshalls have borrowed heavily to finance its national airline. The Marshalls and the FSM share the vulnerabilities of being states comprised of all or many atolls.

Trade Unions

In the Pacific Islands there are six national trade union movements, and the International Labour Organization (ILO) with an office in Suva has training projects with five of them: in Fiji, Kiribati, Western Samoa, Vanuatu, and the Solomon Islands. These projects are funded by the government of Denmark, and according to the ILO, they have the function of promoting responsible trade unionism. Trade unions in PNG are without ILO connections.

The union movement is strong in Australia and New Zealand, and some unions (a minority) are affiliated with the communist-dominated World Federation of Trade Unions (WFTU). Union leaders in Australia and New Zealand, particularly the former, like to believe that they have considerable influence over the unions in the Pacific Islands. In reality, this does not appear to be the case. Rather, island unions are concerned with national issues and the self-interests of their own constituencies, and it would be inaccurate to view them as being capitalistic or communistic in orientation. All evidence indicates that none are under the influence of outsiders.

Commonwealth of the Northern Marianas should present few, if any, problems in the near future. It wants a position in the US camp not unlike American Samoa and Guam, although and because of the nature of its developing tourist industry, increased influence from Japan must be anticipated.

Assuming that statuses of free association are eventually negotiated and approved for the three other entities, the Federated States of Micronesia (FSM) and the Republics of Palau and the Marshall Islands, will be handsomely financed by the US for at least the near future. All three will seek assistance from other sources. The FSM by its observer status in SPEC is evincing an interest in becoming involved with its southern neighbors. To date, Palau and the Marshalls have shown less concern with regional affairs, and while it does not appear to be by conscious design, both countries have taken a somewhat isolationist stance. In the case of Palau, there is an understandable preoccupation with resolving its future political status with the US. The Marshalls are a bit harder to explain, and there are clear signs that the leadership is out of touch with and insensitive to some important concerns in the region. Although it was later denied, the Marshalls appeared to have approached Japan with an offer to provide certain atolls for the storage of nuclear waste materials. The hope of a potentially profitable arrangement overshadowed the concern of most Pacific states with a nuclear free Pacific.

Palau and the Marshalls may be particularly desperate to find additional donors because of large indebtedness. The Marshalls have

The remaining political entities in the Pacific are dependencies of France, New Zealand, and the United States, and their economies are determined more by the nature of their relationship with the metropolitan powers than by their natural resources (or the lack thereof) and the size of their populations. The two major French groups, French Polynesia and New Caledonia, are heavily subsidized by France. The situation in French Polynesia appears stable, and no significant changes are anticipated in the near future. The current political crisis in New Caledonia is of greater importance than the economy, and even if independence were achieved, it is doubtful that the nickel industry could support the current standard of living.

France's Wallis and Futuna and New Zealand's Tokelau are truly miniscule atoll countries which exist only with the support of the metropolitan powers; neither dependency desires a change in political or economic status, and stability seems assured in both.

Unless there were to be some unforeseen and very unlikely substantial change in the level of US subsidization, American Samoa and Guam are not potential sources of concern. Indeed, and in spite of some rumblings on Guam about some alteration of its political status, the sheer volume of American support assures their firm and quite willing attachment of the US. In both cases, the magnitude of financial and other support renders virtually meaningless data on population, land area, and population density.

The US Trust Territory of the Pacific islands is another case, however, and the four emerging entities cannot be treated uniformly. The

about 5,000 were Nauruans. Others were mostly workers from elsewhere employed by the Nauru Phosphate Corporation (Pacific Islands Yearbook 1984). At present, census figures and population densities on this small island of 21 sq. km. mean little as determinants of economic well being. Phosphate royalties make Nauru one of the world's wealthiest counties in terms of per capita income. Nauru does not receive but it provides some small assistance to other Pacific countries. It is projected that the phosphate reserves will be exhausted in the mid-1990's, and the future of Nauru is far from certain. It appears that investments to provide for the future are not always well advised, and the country's economy could well be in very serious trouble in the next decade. With a faltering economy and a people accustomed to a high standard of living, Nauru could look for massive external assistance regardless of the sources and the strings attached.

Like Tuvalu and Kiribati, the Cook Islands and Niue, the two countries that are self-governing in free association with New Zealand, also have small resource bases. While the southern Cooks are high volcanic islands, they are in fact quite small and the northern Cooks consist entirely of atolls. Niue is small single island of only 260 sq. km. Both countries receive substantial assistance from New Zealand, and the novel political status of free association appears to be working and providing stability in these two countries. They too are in the category of island groups that the Jackson report alleges will require long term if not permanent subsidization.

The remaining independent Polynesian country is Tuvalu. It represents the epitome of nations that are comprised of atolls or nearly all atolls. Tuvalu is made of entirely of atolls. There are nine in number with land area of 26 sq. km. and population of about 7,500. The population density is the highest in the Pacific with 288 per sq. km. Tuvalu's terrestrial resources are slight. Agricultural resources can support only a small population at subsistence level. Until recently, the sole export was copra. Philatelic sales now have surpassed copra as an income earner. Nonetheless, Tuvalu is without internal economic viability, and it will always require foreign assistance. Pressures on the scarce land resources will continue to build, and some escape valve will be necessary in the near future.

With one exception, the 33 islands of Kiribati are also atolls, and copra is the only cash crop. The official estimate of Kiribati's land area is around 700 sq. km. (not including the uninhabited islands of the southern Line group), and with a population of about 59,000, the density is in the neighborhood of 90 people per sq. km. With its possessions in the Line and Phoenix Groups, Kiribati claims exclusive rights to a fishing zone of over a million sq. km. of ocean. Given the unproductiveness of the atoll environment, license fees paid to fish these waters by distant fishing nations provides Kiribati with additional revenue, but Kiribati, like Tuvalu, appears likely to require continuing external assistance.

Nauru, the ninth and last of the independent nations, is somewhat of an anomaly. Of the estimated 8,400 people on the island in late 1982,

The two remaining independent Melanesian countries, the Solomon Islands and Vanuatu, are smaller. They are described by the Jackson report as being more aid dependent than Fiji, "and have a more limited capacity to export foods. In addition, they are short of expertise in business and government and do not have the economies of scale to overcome skill deficiencies." However, it should be noted that the vast majority of their populations (over 90 percent) are rural self-sufficient villagers, and population densities are low. (The Solomon Islands population of 225,000 is dispersed over 28,530 sq. km. for a density of 8 people per sq. km.; the people of Vanuatu number 117,500 and with a land area of 11,882 sq. km., the density of 10 people per sq. km.) There are no immediate crises to be resolved, and in a very real sense, the two governments have time to move rationally and without undue haste. In both countries, however, there is some feeling of urgency to catch up with most of the rest of the world.

Turning to Polynesia, the Jackson report lumps Tonga and Western Samoa with the Solomon Islands and Vanuatu as it has claimed that they have the same characteristics. This obscures some crucial differences. With a population of about 98,000 and a land area of 699 sq. km., Tonga has a population density of 139 people per sq. km. A land shortage is already an acute problem. Western Samoa's population density is considerably less at 53 people per sq. km. (the total population is 156,000 with a land area of 2,935 sq. km.), but it is one of the poorest countries of the region in terms of per capita income.

throughout the archipelago. Personalities tend to be an important aspect of the political process although the November 1984 elections did reveal some steps toward a more coherent party system.

Tonga - Undoubtedly the centrality of the monarchy is the critical issue for the region's only remaining kingdom. Domestic destabilization without affecting the monarchy appears an impossibility. Republican sentiments, however, do not appear to be as deeply seated as critics of the regime sometimes hope. The monarchy is the apex of a social triangle and has served traditionally as a political balancer between the nobility and the commoners. (At times it could be said that each of the other two corners of this triangle have also played the role of a balancer when necessary). Nevertheless, bureaucratic rigidities and pressures for greater economic development, including land reform, could undermine the monarchy's support since these areas are regarded as a special responsibility of the crown.

Tuvalu - As with its former colonial partner Kiribati, the tiny Polynesian atoll dominion is troubled by the domestic burdens of sovereignty. Outside meeting the

economic expectations of its people, Tuvalu appears to have few internal political problems threatening the maintenance of its democratic practices.

United Kingdom - No problems for its one dependency, the Pitcairn Islands.

United States - Although controversial, American decolonization in the Trust Territory has not provoked the same overt internally destabilizing affects of the French in their territories. The US ties appear to preclude any major third party induced domestic instability. Palau's status is still unclear, however, and further difficulties could encourage demands for independence.

Vanuatu - Whatever the country's perceived impact on regional stability, there can be little question that Vanuatu has been remarkably placid domestically especially for being the only independent state thus far to endure a relatively violent transition to sovereignty. The strength and coercion of the Vanua'aku Party is the principal reason for this and thus, any weakening of the party could prove destabilizing. Clearly also should the party move

sharply to an authoritarian ideology, its discipline might allow anti-democratic measures to be accepted (although this scenario must be regarded as improbable).

Western Samoa - Historically one of the most conservative and stable of the FICs, the oldest of the Polynesian states has encountered an unusual amount of political turbulence in recent years. In part this has been a consequence of dire economic straits which have provoked public service strikes and made Western Samoa the only Island country to be given the UN's "least developed" status. In addition to the economic pressure, the marriage between the traditional matai system and the Western parliamentary process has shown very real signs of strain which resulted in three changes of government in a single year (1982). Nevertheless, the participatory characteristics of the Samoan social system would appear to militate against political authoritarianism.

Such a brief encapsulation scarcely does credit to the principle domestic problems of the Island political processes much less the pedestrian but constant pressures on internal politics in the region. Yet as noted above, the impact of these stresses, both great and small, has not been unduly destabilizing. The Islands have coped. With the

major uncertainty of New Caledonia the key exception, there appears to be little grounds for assuming they will continue to manage provided their economic viability is not threatened.

Even less probable than the somewhat remote possibilities of the emergence of an authoritarian regime is the prospect of ideologically based challenges to the existing democratic Island polities. The salience of ideologically grounded class or economic divisions is low. Only in the Melanesian countries of Vanuatu and New Caledonia does one discover extensive use of ideologically colored political debate and even here, particularly in the case of Vanuatu, the use of terms such as "socialism" is qualified normally with such adjectives such as "native," "national" or "Melanesian." Thus the sympathy for external ideological movements is more derived from an intellectual empathy than a philosophical indebtedness.

As shown in the section on social factors neither the Soviet Union nor its Eastern bloc surrogates enjoy sufficient credibility in areas important to the Islands such as religion and social organization to be able to offer the Soviet pattern as an ideological model for the Islands. Indeed, the region is almost extraordinarily devoid of communist parties or marxian political groups. Beyond the claims of some extreme-right groups, mainly French colon, even allegations of front parties for communist intervention are all but non-existent. Perhaps the only important example of such a claim outside the French areas arose in connection with the 1982 Fiji general elections when the Alliance Party alleged that the National Federation Party had received campaign funds

from Moscow via the Indian High Commission. A subsequent royal commission inquiry into the charge failed to substantiate the claim although privately it was suggested that certain supportive evidence was too explosive to be introduced before the commission.

While on the subject of political parties, the growth of parties in the South Pacific has been slow. Many FICs states have no parties or just the rudimentary beginnings of a party system while only in the Cooks, Fiji, PNG, the Solomons and Vanuatu do parties have a significant organizing role. This slowness in large measure effects the continuing value of traditional political processes in contemporary Island politics. Thus were ideological penetration to be pursued by the Soviets, the absence of a deeply rooted and disciplined party system would pose something of an impediment. Against this, however, it must be noted that the absence of party structures does give greater rein to individual influence which, as noted previously, can be a serious source of vulnerability in the smaller scale politics of microstate democracy.

INTERNATIONAL AFFAIRS

Given the Soviets record in the region to date, it is clear that the heretofore prevailing circumstances (including Soviet tactics) would have to change before a potential for penetration could become a reality. The preceding discussion of the sources of vulnerability argues that the capacity for sudden, even climactic, change does exist in the South Pacific (although perhaps not necessarily to the extent feared

by many outside the region). Indeed, this is virtually the definition of vulnerability. Thus the major theme of this section concerns the issues which the Soviet Union or possible surrogates might use to exploit the Islands' vulnerability.

Before turning to the catalytic issues which could alter the global balances in this region, a few observations should be made on the structural features of international affairs in the South Pacific. Most of the factors which create the high level of vulnerability have been treated in some detail above. Nevertheless, several are especially pertinent to the capacity of regional states to conduct foreign affairs such as: small departmental staff, personnel with limited experience and/or training, limit opportunities for specialization, relatively few sources of information, small attentive publics, increasing aid dependency and the like.

In consequence of such constraints, foreign policy making in the smaller states particularly tend to be heavily conditioned by personalities; to be made outside the Department of Foreign Affairs; and to lack a significant "inertia factor." Personalities play a crucial role in South Pacific foreign policy-making not only because the staffs are small and thus there are fewer individuals involved in any particular decision but also because the lines of responsibility are very short. An issue moves from the clerk who receives the telex to the foreign minister (often the prime minister) in two or three steps. Thus the level of seriousness attached to the problem can escalate with extraordinary rapidity depending on the interest taken in it by the

senior decision-makers to whom it is referred (or, many times, who choose to take an interest). In large measure because small scale prevents diversification and specialization, the Islands are obliged to use whatever specialization they possess to maximum effect. And since development issues are a predominating feature of the region's external affairs, the expertise to comment on, or deal with, external aid proposals often lie outside the foreign affairs departments. Thus in many matters the department of foreign affairs serves primarily as a post office directing issues to the relevant line agency for a decision. Smallness gives a freer rein to personality and non-foreign policy specialists and these in turn help to inhibit the emergence of the body of precedent and practice which give a certain inertial predictability (the "gyroscope effect") to states with larger foreign policy-making bureaucratic structures.

At the national level such factors diversify the opportunities for the Soviets to gain an entree unrecognized and perhaps even unobserved by outsiders which could then prove to be the thin edge of a wedge. Should Moscow succeed in obtaining an initial access, the regional mechanisms would not necessarily provide corrective adjustments particularly if this were at the level of a modest commercial involvement. While the South Pacific undoubtedly constitutes a security community in that its regional states could not pose a threat to each other (nor it is likely any one would knowingly allow its territory to be used to jeopardize another state), the South Pacific states have not actively pursued the concept of regional collective security. Indeed, outside such episodes as the

resolutions on Minerva Reef and the actions on New Caledonia, collective security has scarcely featured in the South Pacific Forum despite such extremities as rebellions in Bougainville and Espiritu Santo and border incursions in PNG.

Of course, physical intervention could be interpreted as a failure of the basic principles of a security community, particularly in an area as removed from major sources of conflict as in the South Pacific. Further, there appears to be a greater tendency by island countries to eschew intervention perhaps because, unlike land-bordered states, there is little scope for graduated steps to intervention. Either it occurs or it does not. Nevertheless, the Islands perception of physical vulnerability seems to be so low that collectively security measures such as that once advanced by the former PNG prime minister, Sir Julius Chan, for a regional defense force was easily rejected. Evidence such as this would suggest also that regional support for an external intervention (as in Grenada) would not be forthcoming in the South Pacific. Insofar as collective security measures are deemed appropriate these have appeared in efforts to reduce the gains from external intervention as illustrated by the support for a regional nuclear free zone (NFZ).

The ANZUS allies have supported the growth of South Pacific regionalism in part to assist the strengthening of the security community sentiment. The more the Islands act in concert the less likely individual states are to pursue adventurist foreign policies, it is believed. Yet the level of institutionalization of regionalism is still too low to rely entirely on regional mechanisms for contact and

association. Australia, despite being a member of the South Pacific Forum, has found bilateral contacts essential to the conduct of its relations with the region and has resident missions in every independent FIC state except Tuvalu. Of course, this network helps to reinforce the regional system by making contact amongst the Islands less difficult. Nonetheless, such advantages cannot disguise the fact that bilateral contacts remain the key to effective understanding of, interaction with, the region.

Despite its limitations, regionalism does play a central role in many of the issues of critical importance to the South Pacific. These issues can be categorized as falling under three general headings--decolonization, marine resources and security. The order given reflects also the relative priority of the categories at least in terms of the current perceptions of their issues. Interestingly, one could make a case to show that the Soviets and/or their surrogates have not so much exploited an area of Island vulnerability as been given an opportunity by the Islands' Western friends. The examples of New Caledonia and the Jeanette Diana illustrate and substantiate this observation.

By any rational and objective assessment, it is clear that France has created the greatest opportunities for Eastern bloc penetration. French colonial practice encouraged the Vanua'aku Party to seek whatever assistance it could in support of its objective of independence including that of Cuba. Similar intransigence has given the Kanak Socialist National Liberation Front (FLNKS) a pretext for pursuing regionally

unorthodox paths to independence including the one leading to Libya. In both cases, the blame for such adventurism has been attached in many Western circles to the Melanesian peoples for excessive zeal (and suspected ideologically based anti-Western attitudes) rather than on the French for unwarranted frustration of a legitimate decolonizing process. (The view that the pace demanded by the New Caledonia independentistes may be unwise is not confined solely to Western quarters, however, as the South Pacific Forum also counselled for more negotiations at its 1984 Tuvalu meeting.) Thus the FLNKS perspective on likely Western support must necessarily be rather jaundiced while the prospect for regional action clearly disappointing.

Although the grounds for such Western and regional hesitancies in alienating Paris may be understandable, the lack of perceived support or mere even-handedness could prove dysfunctional. Already these hesitancies has established a connection with Libya which could have profound implications should an independent "Kanak" (the FLNKS' proposed name for New Caledonia) owe a debt of gratitude to Libya along the lines felt by Vanuatu towards Cuba. Two particular factors for regional stability then could bulk very large indeed. First New Caledonians have not been integrated into the regional system to any significant degree and thus geographic propinquity counts for less than it does for the FIC states. Paris has been closer to Noumea than Suva in New Caledonia preceptions and thus going outside the region would not be as strange to Kanak as to the FICs. Secondly, while France (especially from the emergence of de Gaulle in 1958) has used the imagery of dominoes to

justify resistance to decolonization in its South Pacific empire, the simile of a picket line is also appropriate. The arc of French possessions in the South Pacific (New Caledonia, Wallis, and Futuna and French Polynesia) extends through the core of the FIC heartland. Were French fears of a domino effect to be realized as a result of an Eastern-leaning Kanaky, the region could have genuine cause for alarm.

Yet the irony of such an admittedly remote and improbable scenario is that the opportunity for the Cuban, Libyan and possible Soviet involvement has arisen virtually as a gift. The present limited access these extra-regional influences enjoy has derived not from any diligence and effort on their part nor from any refusal on the part of the Kanaks to seek Western assistance. Rather it was an apparent lack of sympathy (or sense of urgency) which led to the Kanaks' Libyan initiatives. Of course, Ghaddafi's widely recognized willingness to fund liberation (and other) movements has drawn an entire menagerie of disaffected groups to Tripoli. Further, given the relations between Libya and France in Chad currently and elsewhere in the recent past it is likely that Ghaddafi would have been especially receptive to the FINKS' cause in any case. Nonetheless, it was scarcely predetermined that circumstances would incline the Kanaks to make the approach nor is necessary that, even if Libya's present support is motivated by national considerations, it will not later become the facade of a surrogate.

The Jeanette Diana affair reveals a similar pattern in some regards. In this case a traditional external friend, the US, finds itself in confrontation with a regional state, the Solomons, over a

conflict of their domestic laws over fisheries. This dispute is particularly unfortunate from the American perspective since the Solomons had proved itself a sympathetic friend prior to the arrest of the Jeanette Diana in June 1984. The Solomons banned Soviet vessels from its ports following the invasion of Afghanistan, took the lead in ESCAP in defeating attempts to revive the overturned Soviet offer of oceanographic aid through CCOP/SOPAC, and had agreed to the establishment of a small resident US mission in Honiara.

Since the crux of this dispute arises from different domestic legal positions, it cannot be resolved by independent judicial mechanisms. Thus it will depend on diplomatic avenues of conflict resolution. However, here the asymmetrical power relationship makes the Solomons sensitive to any form of resolution which appeared to deny their sovereign capacity to make their own domestic legislation. Similarly the US has adopted an international stance (unwisely rigidified by Diocletian-like municipal law that inhibits international flexibility) which it does not wish to have endangered by a contrary precedent in the South Pacific. The resulting deadlock has produced measures from both sides to settle the issue in their favor. Unfortunately the Solomons appears to have regarded itself as having few diplomatic resources in its arsenal except the vulnerability of the US to some form of "playing the ANZUS card" particularly after Washington took the retaliatory step of imposing an embargo on Solomons fisheries imports.

The rectitude of the participants is clearly important to each but, in terms of the potential Soviet penetration, this matters less than the

opportunity for Soviet involvement the controversy created. Since the issue is one in the US position is at odds with the Forum position, Washington's two ANZUS allies could provide only limited succor. And yet, neither could the Solomons use these two or the Forum effectively to intercede on its behalf. This may explain why the Solomons was inclined to feel unusually bereft and left to its own devices. Fisheries constitute a major component in its export earnings and when this source of income was threatened by a friend which it had assisted in the past, the Mamaloni Government knowing it would receive less help than it wanted from its regional partners reflected openly on the more unorthodox avenues of redress.

Rhetoric to impress upon Washington the seriousness of its position may well have been the sole aim of the Solomons in suggesting that it would reconsider its ban on Soviet ships access but, even if this were its only intention, the ripples could go wider. Indeed, the timing of the controversy was far from propitious. The Soviets are currently displaying a renewed marine interest in the region (which may prove to be the change of tactics suggested at the beginning of this section). This has been evidenced by offers to purchase fish, enter into fisheries agreements, and extend oceanographic aid through CCOP/SOPAC. Had the Solomons been fully appraised of such interest, the Jeannette Diana affair could have induced the then Government to go beyond rhetoric particularly with an election imminent. The Soviet Union was one of the few countries in the world which might have successfully purchased the confiscated superseiner and the embargoed fish. As it is, the Mamaloni Government's

statements on the Russians have helped to revive the question of Soviet exclusion from the South Pacific as well as keep current the notion of playing the ANZUS card."

The Jeanette Diana affair's significance for US-South Pacific relations ought not be underestimated. As indicated by the Commonwealth meeting in Wellington on the special problems of small islands, neo-colonialism through economic dependence is widely perceived as the region's most vital threat. Marine resources, in part because hope can still be entertained in this area for economic breakthroughs, are therefore an especially sensitive concern. The US determination to protect its own interests on tuna to the extent it has with the Jeanette Diana scarcely is designed to reassure the Islands in the other marine resources area where the US takes a differing stand to that endorsed by the Islands--deep seabed mining. Thus, despite the Forum's unwillingness to take all the counter-measures proposed by the Solomons at the Tuvalu meeting, the US has (unnecessarily?) opened a rift between itself and the islands in an area perceived as vital to the Islands.

Once again, as with French decolonization, one finds that the potential for damage to Western interests arises from what could be regarded as a mishandling of one Western state's relations with the region. Certainly in the case of the tuna controversy, there can be no imputation that the Island's position is deliberately anti-US or that the Soviets played any role in developing it. Also there is little evidence to show that the Soviets have artfully and by design moved to exploit the largely self-inflicted wounds of the US in the Solomons. Hence it would

appear that the intended role of the Soviets is merely to provide a diplomatic lever for a microstate negotiating with a superpower. However, as noted earlier intended effects may also have unintended consequences.

It is impossible to survey every international issue in the South Pacific and assess its potential for aiding Soviet penetration. Before concluding this section, however, a few comments should be made on some of the other prominent concerns of interest to the US which are currently on the region's international agenda. There is a tendency in Washington to regard the Vanuatu relationship with Cuba as anti-US because it has been coupled with the strong rhetoric of the non-aligned movement, a resistance to compromises on the NFZ question which would assist the US, and support for direct action on Kanak independence in New Caledonia. While these and other activities have not been fully in accord with US policy, Vila's stance appears more simply explained as a deeply ingrained suspicion of both the superpowers generally. Vanuatu under the Vanua'aku Party seems to have a genuine commitment to non-alignment which in its own view means an attempt to be even handed in its treatment of the two rival superpowers.

The West Irian issue has not yet evoked the image of the Russian bear and seems unlikely to do so in a way which would affect the South Pacific unless a Melanesian shift to the left (in, say, Kanaky and Vanuatu) were to induce surrogates to supply arms to the rebels. It could, however, invoke ANZUS should the border problem deteriorate into a major crisis. The NFZ proposal as presently conceived undercuts some of

the bases for future Soviet interest in the region while not harming current US interests and thus is unlikely to be a problem for Washington within this region (whatever its implications may be beyond the South Pacific). The Soviet fisheries approaches to Kiribati and others recently fall largely under the treatment given above regarding the Jeanette Diana. The episode illustrates further both the dangers for the US of not coming to terms with the Islands on marine resources development on the one hand and the risks arising from the economic vulnerability of the smaller Islands on the other. Indeed, although the evidence on the recent Soviet initiative in Kiribati is scant, whatever receptivity Kiribati has expressed appears to have been more a result of shoring up national sovereignty with greater economic viability than of seeking to "play the ANZUS card."

CONCLUSIONS

As observed at the outset, the potential for Soviet penetration of the South Pacific cannot be translated directly into a probability. Indeed, much of the content of this survey would support interpretations of a wider rather than a narrower lacuna between the two, at least to date. By the usual objective criteria, the South Pacific ranks as one of the most vulnerable regions in the world and yet it has perhaps the least Soviet influence of any area of the globe. Further, as evidence by Namaliu's assessment of threat, the prospect of a physical or political

danger from the Soviet Union was not regarded as high. Indeed, even in circumstances where a Soviet or surrogate opportunity has arisen, these have not necessarily emerged as a consequence of Island vulnerability.

The most concrete instances of opportunity have occurred as a result of controversy which could be seen as generated by the Western nations themselves. French attitudes on decolonization have banked up frustrations which have found outlets in Cuba and Libya. American fisheries legislation has produced conflict and stalemated solutions to an extent where even Soviet assistance has become acceptable. Ironically, there is little evidence to suggest that either the USSR or the possible Soviet surrogates had actively probed to find such opportunistic occasions for exploitation. One suspects any competent foreign service deliberately seeking to expand its influence in such a vulnerable area would not have been limited to these few opportunities. Nevertheless, success in taking advantage of only a few of the available windows of opportunity may have the effect of encouraging the Soviets to hone their tactics. This may explain the Soviet approach to the October 1984 meeting of CCOP/SOPAC.

Vulnerability remains nonetheless a key issue for the Islands; a point underscored by the Commonwealth Secretariat colloquium in Wellington which recorded its belief that physical threat (whatever the source) was less to be feared by the Pacific Islands under current circumstances than economic domination (again, whatever the source). Economic vulnerability thus remains the perceived essence of the

microstate dilemma in the South Pacific regardless of the post-Grenada concerns of physical threat for insular microstates elsewhere.

Factors which have enhanced the Soviet potential for penetration of other areas of the world are largely absent in the South Pacific. Extensive social discontent, weak democratic institutions, deep ideological cleavages particularly as expressed in political parties or trade union movements, militarism, intense intra-regional antipathies and the like currently offer negligible opportunities for the Soviets or surrogates to establish and develop a physical presence in the Islands.

Even given the paucity of exploitable circumstances available to the Soviets in the region, the Islands' economic vulnerability, exaggerated by the other aspects of microstate fragility, has not proved the South Pacific's Achilles heel to date. Recognition of the potential for mischief due to the limited economic prospects for so many of the smaller PICs has led Western observers to be more fearful on this score than the historical record would warrant. The Islands have not pursued with enthusiasm every hint of aid from Moscow nor have they hesitated to reject assistance from the Eastern bloc whenever Western interests could be weakened. (Banning the cruise ships and refusing the CCOP/SOPAC offer which would have given the Soviets both port access and greater oceanographic knowledge of naval significance are but two important examples here.) Indeed, even "playing the ANZUS card" could be seen as reinforcing the Western economic ties since the strategy's intent is not to accept the alleged Soviet aid but rather to generate more Western assistance.

Nevertheless, frustration of the region's economic aspirations and a change of Soviet tactics to one of offering more appropriate aid could open doors closed to the USSR heretofore. While the evidence of a significant change in Soviet tactics is too recent to be conclusive, the straws are in the wind. Yet, Island willingness to respond to such blandishments has been forthcoming primarily in circumstances where Western sources of amelioration are perceived to be anodyne or absent. (That the Islands prefer self-help and Western assistance before Soviet or Eastern bloc support can be seen not only in the economic areas but also, to an important degree, in the Kanaks' efforts for independence.)

As encouraging as this assessment may be for the US, there are scant grounds for complacency. Circumstances in the Islands can change quickly for the reasons given above in the section treating the sources of Island vulnerability. Further, the US itself is a factor in the regional equation. For example, "playing the ANZUS card" could not be credible economic strategy for individual Island states were the US not formally tied through Australia and New Zealand to regional stability. (The implications of this for the two antipodean allies cannot be lost either since, to the extent the Islands attempt "to play the ANZUS card" their own interests in regional security are put at risk.) And, perhaps most significantly, US actions in recent years have contributed to generating conflict within the Islands area which has given the Soviet Union some of its potential for penetration. This report concludes a review of American relations with the Islands and their affect on the Soviet potential.

The US displays an attitudinal schizophrenia toward the South Pacific. At one level its historical involvement, territorial responsibilities and political/economic ties incline Washington toward viewing the US as a regional power. Yet the compatibility of America's global aims and regional interests are not as apparently close as, for example, the Caribbean or Latin America. The difficulty the US has in reconciling its global role with its regional responsibilities can be seen American recognition of, and deference to, the genuinely regional roles played by Australia and New Zealand in the Islands. Whether it is of the region or merely in the South Pacific is important to American relations since the more distant the relationship the less the US can expect the ties of friendship to be influential in Island decisions.

Compounding this attitudinal question is a severe structural problem. Statutorily imposed limits on bilateral aid, legal restrictions on the flexibility of trade quotas and congressionally required retaliatory sanctions create rigidities which are not only inappropriate and irksome in the South Pacific but also have proved positively dysfunctional in promoting US interests. Recent examples of these structural impediments to good American relations with the region have included: the inability to add South Pacific states to the list of bilateral aid recipients (now apparently not a Congressional limit), the constraints on increasing the Fiji sugar quota during Ratu Mara's recent visit to Washington and the Magnuson and Fisherman Protection Acts' influence on the course of the Jeanette Diana dispute.

The range of diversity in the South Pacific is far more extensive than its limited population might suggest. However convenient it may be for Washington to pursue a regional strategy for dealing with the Islands, it would be myopic of the US to believe the South Pacific was composed of an undifferential collection of coral protrusions from the ocean floor. Their diversity requires at least a modicum of accommodation.

Knowledge of the Islands is essential to understand and interact effectively with this diversity. While significant improvements have been made by appropriate agencies to develop a broader core of expertise in the South Pacific in recent years, the depth of this pool is still modest. Such knowledge is useless, however, if it is not applied. The difficulties experienced during the course of the Jeanette Diana affair demonstrates the importance of having competent and trained personnel in the field. Nonetheless, these cannot adequately maintain the routine daily contact necessary to avoid major misunderstandings if they are posted to one or two missions with reporting responsibilities across a large number of states. Geographic isolation, restricted communications, and limited transport work against a very small number of regional missions. Proposals for small missions in Honiara and Apia were undoubtedly steps in the right direction.

While it would be naive in the extreme to expect the US to jeopardize global positions to achieve localized regional accommodations in the South Pacific, the types of structural rigidities noted above cannot be ignored. Some, such as the fisheries restraints, may be

circumvented by a satisfactory treaty and participation in a regional fisheries management arrangement. Greater economic (trade and aid) flexibility could perhaps be achieved by increased aid funding, greater allowance for commodity quota adjustments and more discretionary latitude to the regional missions in the dispersal of aid. On the last point, there is also a tendency to enshrine national myths in aid policy and thus a current enthusiasm in American aid for promoting "free enterprise" development. Given the communal traditions of the South Pacific this may raise ideological hackles unnecessarily particularly if pursued too vigorously.

Should the US achieve a mutually satisfactory reconciliation between its regional role and the expectations held for it by the Islands, the principal sources of South Pacific vulnerability of concern to it will be largely confined to the Islands' limited economic potential. Here, the clearest case of need can be seen in the atoll states but the pressures on the other Island states cannot be overlooked. And, for example, 85 percent of the region's population is located in the five countries of the Melanesian arc. Sympathetic attention and support by the US in collaboration with its ANZUS allies and others prepared to guarantee the Islands' capacity to enjoy the fruits of sovereignty would assist greatly in continuing to ensure that the potential for Soviet penetration did not translate into the probability of intervention.

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