Reviews of Irian Jaya, Papua New Guinea, and Solomon Islands are not included in this issue.

**Fiji**

The year 1999 marked the end of an era in Fiji’s politics. Few events were more momentous and unexpected than the overwhelming electoral victory of the Fiji Labour Party and its coalition partners in May and the swearing in of Labour Party leader Mahendra Chaudhary as the country’s first Indo-Fijian prime minister. With a new government taking office, there occurred an upheaval in Fiji’s political leadership not seen since 1987. Exiting parliament were Prime Minister Sitiveni Rabuka and National Federation Party (NFP) leader Jai Ram Reddy, a veteran of Fiji’s politics for the past quarter century. Also consigned to the political wilderness was the NFP itself, after failing to win a single seat in the new parliament.

The prospect of a general election in 1999, conducted under the provisions of the 1997 constitution, had always promised to make this a particularly interesting year. The introduction of open seats and the alternative vote electoral system compelled parties into forming multiracial alliances. In 1998 two rival coalitions emerged. The first combined the ruling Soqo soqo ni Vakavulewa ni Taukei (SVT) party with the Indo-Fijian based NFP and the general electors’ United Generals Party (UGP). The other was a marriage between the mainly Indo-Fijian based Fiji Labour Party (FLP), the Fijian Association Party (FAP), and the western Viti Levu–based Party of National Unity (PANU)—the so-called People’s Coalition.

The partnership that had been forged between the SVT’s Rabuka and NFP’s Jai Ram Reddy during the review and promulgation of the new constitution flowed into other areas of cooperation. The parties agreed to a seat-sharing formula in early 1999 that would see the SVT contest all Fijian communal seats and 14 open seats, and the NFP all Indian communal seats and 11 open seats. The UGP was given all 3 general communal seats and 2 of the open seats allocated to the SVT. There was also agreement that in the event of a SVT-NFP-UGP victory Rabuka would become prime minister, while Reddy would be deputy prime minister.

No such agreement on seat sharing or leadership was reached by the People’s Coalition, a fact that was heavily exploited by its opposition in the election campaign that began in April. While the SVT-NFP-UGP presented itself as the more solid and stable coalition, it branded the People’s Coalition “a sham” and warned voters that its members would fight over the position of prime minister if they won. To the People’s Coalition, however, this was not an issue. The prime minister would be chosen once the results were in. The Labour Party also countered by attacking the SVT-NFP-UGP Coalition for not having a single campaign manifesto (unlike the People’s Coalition). This exposed a fundamental weakness in the alliance between the
svt and the nfp that Labour in particular was keen to exploit. With the svt campaigning on its record in office, the nfp was faced with the dilemma of having to “go soft” on its partner’s policies, which it had previously derided while in opposition. Thus its campaign was confined to the more intangible and somewhat vague areas of multiracialism, forgiveness, and the new constitution.

The nfp also directed its fire at Labour’s willingness to allocate its preferences not only to its coalition partners but also to a newcomer on the campaign trail: the Fijian-based Christian Democratic Alliance or Veitokani ni Levaniavatu vakaritiko (vlv). This emerged as the “third force” in the election, fielding a number of prominent and well-connected Fijian candidates. They included a former army commander, Ratu Epeli Ganilau; a senior civil servant, Poseci Bune; and Adi Koila Nailatikau, the daughter of President Ratu Sir Kamisese Mara. While the vlv seemed torn between moderates and conservatives (especially on such issues as reactivating the Sunday ban and declaring Fiji a Christian state), it nevertheless stood united on its principal goal of unseating the ruling svt.

In this it found common ground with the People’s Coalition, as evident in their exchange of preferences. Labour, FAP, and VLV put each other’s candidates ahead of the svt-nfp-ugp candidates. The nfp expressed outrage at Labour’s tactics, branding the vlv as an extremist party and Labour as “devoid of morality.” Its campaign advertisements played heavily on what it thought was a vulnerable spot: “A vote for Labour is a vote for the vlv or the Christian party.” Commentators, though, described an “air of unreality” surrounding the svt-nfp-ugp campaign. While Reddy and Rabuka naively complained about the opposition “ganging up on them,” other candidates warned of a coup and bloodshed if the government lost (SP, 25 Apr 1999, 1).

The People’s Coalition, on the other hand, focused on the issues it believed really mattered to the voters: “land leases, corruption, unemployment, crime and poverty” (FT, 20 April 1999, 3). An ill-timed decision by the svt government to proceed with the restructuring of the Civil Aviation Authority of Fiji, leading to the dismissal just before the election of four hundred workers who did not accept voluntary redundancy, provided powerful ammunition.

While it was expected that the election would reveal disillusion with the svt (especially among grassroots Fijians) and that Indian voters would not be comfortable with the nfp’s alliance with the old enemy, Rabuka, most observers predicted that a win for the svt and its allies was a foregone conclusion. So confident was the Review magazine, that its May edition published a cover story on “Our New Cabinet”: a Rabuka and Reddy-led government. In the absence of national opinion polls, there was little to go on. However, a Times-Tebbutt poll conducted in early May put Prime Minister Rabuka as preferred leader (at 26 percent), followed by the FAP’s Adi Kuini Speed (17 percent) and Chaudhary (15 percent).

Polling began on 8 May. With compulsory voting introduced for the first time, 437,195 voters were on the rolls (100,000 more than in the 1994 election). There were 304 candidates (including 10 women) from 16 political parties contesting the 71 parlia-
mentary seats. Twelve thousand officials were engaged to conduct the elections, which were estimated to cost $6.7 million. Not surprisingly, given the massive scale of the election and the new and unfamiliar electoral system, there were problems galore. The most common were names not appearing on the electoral rolls (one commentator dubbed this “the election of the missing names”), long queues and delays at polling stations, and the high incidence of invalid votes (which was seen to reflect voter confusion about the new system). Voters were given the option of voting “above the line” for one party only, which gave that party the right to allocate preferences, or “below the line,” where the voter numbered each candidate and thus allocated their own preferences. More than 90 percent of voters chose the “above the line” option.

Surpassing even its own expectations, the Fiji Labour Party won 37 of the 71 seats. Its coalition partners, FAP and PANU, also scored big wins (11 and 4 seats respectively). On the other hand, the SWT and the NFP suffered crushing defeats. While the SWT managed to hold onto 8 seats, the NFP, as noted earlier, did not win a single seat. The UGP secured 2 seats, the VLV won 3, the Fijian Nationalist Party (Vanua Tako’lavo) won 2, and Independents won 4. It was estimated that while Labour did not rely on preferences to secure its victory (it would also have won under the first-past-the-post system), the SWT’s defeat was largely because of the preference system used against it by other parties.

The margin of the Labour Party victory not only gave it a free hand to form a government, but also led many to accept what previously had been unthinkable: Mahendra Chaudhary for prime minister. As the Fiji Times editorialized: “Chaudhry deserves to be Prime Minister. A Fijian face would be a sham and would be seen as such by the whole nation” (FT, 19 May 1999, 6). The Daily Post called on Chaudhary not to be intimidated: “You have the mandate. The people are on your side” (DP, 21 May 1999, 1). With his party’s endorsement, Chaudhary moved quickly to secure the president’s support and was sworn in as prime minister on 19 May. He then offered one of two deputy prime ministerial positions to the FAP’s Adi Kuini Speed (the other went to Labour’s Dr Tupeni Baba).

In retrospect, Chaudhary’s speed precluded what may well have been protracted and messy negotiations with his coalition partners, some of whom were openly hostile to his candidacy. Both PANU and the FAP supported Adi Kuini and attempted to persuade the president not to recognize Chaudhary but to recognize their candidate instead. Ratu Mara’s response, however, was unequivocal: “For the sake of the country” they should join the Labour government. Still smarting from what she described as Labour’s “lack of sensitivity” for failing to consult with its partners on the prime ministership, Adi Kuini agreed to accept Chaudhary’s offer.

In conceding defeat, Rabuka (who had won his own seat in Cakaudrove) warned the new government not to use its majority to implement anti-Fijian policies. While accusing Indo-Fijian voters of rejecting multiracialism and “bloc-voting” against the SWT-NFP Coalition, he also blamed a lack of Fijian unity for their defeat. At the same time he rejected a proposal that began to circulate soon after the
election for Fijian parties to form a “grand Fijian coalition.” “It is too late for that,” he said. “I won’t consider it because this will mean a return to racial groupings and racial confrontation in parliament” (FT, 18 May 1999, 6).

With eight seats in Parliament, Rabuka’s party was entitled to a place in cabinet, alongside the FAP and Labour. (According to the 1997 constitution all parties with at least 10 percent of parliamentary seats should be invited into the cabinet). In forming his cabinet, Chaudhary was perhaps relieved that the SVT put itself out of contention by making what he described as “impossible demands.” These included four key portfolios and Rabuka to be deputy prime minister. The 17-member cabinet that was announced on 22 May drew from four political parties and independents. In addition to Labour, cabinet posts went to its coalition partners, the FAP (3) and PANU (2). Chaudhary also secured the support of the VLV by offering it two key portfolios. The FAP was later given the Home Affairs portfolio, bringing its cabinet tally to four.

Of most significance to observers was the racial make-up of the cabinet: 11 Fijians and Rotumans and 6 Indo-Fijians. In terms of Fijian representation it was also seen to be a regionally balanced cabinet, although there was a conspicuous absence of anyone from the politically important provinces of Rewa and Tailevu. Perhaps alluding to the inclusion of the VLV’s Poseci Bune and Adi Koila Nailatikau, Chaudhary commented that the president, Ratu Mara, had “played a very major role in the naming of my Cabinet” (DP, 22 May 1999, 1).

As for the opposition, it was soon evident that the SVT leadership had staged an internal coup by ousting Rabuka as party leader. The SVT reportedly blamed their loss on Rabuka’s multiracial platform and coalition with Reddy. He was asked to stand down in favor of known hardliner Ratu Inoke Kubiabola. According to Rabuka, “People thought that my conciliatory stance and my leadership of a racially based party in an inter-racial search for harmonious existence in Fiji were incongruous” (Review, Nov 1999, 17). He was not out of the limelight for long, however. InJune, the Great Council of Chiefs elected him as its independent chair- man, prompting Rabuka’s resignation from parliament. Ironically this was a post created by the council in an effort to limit the influence of the minister of Fijian Affairs, at that time Rabuka. To some observers, Rabuka’s move signaled a long-term plan to turn the Great Council of Chiefs into a new political force and focus for Fijian unity, one that would also be the power base on which he would build his political comeback.

Despite warnings of a Fijian backlash and some outbreaks of violence (including arson attacks and bomb threats), initial reaction to the new government was generally positive. A protest march led by Fijian nationalist Sakeasi Butadroka attracted only 150 people, a far cry from the heady days of the Taukei Movement in 1987. The widespread view seemed to be to give the Labour-led government a chance to deliver on its election promises. These included policies that targeted poverty and unemployment: stopping redundancies, removing the value-added tax from essential food items, providing financial relief for cane
farmers, reducing housing interest rates, and improving health and education services.

Among the People’s Coalition policies to attract most attention was their commitment to a minimum wage. Manufacturers, in particular from the garment and textile sector, strongly opposed this policy and threatened major redundancies if forced to implement it. The industry employs about seventeen thousand people and accounts for Fiji’s second largest source of exports (after sugar). By July, government policy had tempered somewhat, as Chaudhary announced plans for a minimum wage scheme as opposed to a minimum wage guideline of $120 per week. According to the minister for Labour and Industrial Relations, the government did not want to “kill the goose that lays the golden egg” and would tackle the issue through consultation with workers and employers. The prime minister later stated, “We will not impose a national minimum wage without considering the ability of the sector to be able to absorb it” (Review, Dec 1999, 27).

The minimum wage issue was one of several economic policies that the government appeared to water down once in office. On stopping redundancies, the government was quick to direct the reinstatement of workers at the Civil Aviation Authority and its offshoot, Airports Fiji Limited. However it was subsequently blamed for causing 108 workers to lose their jobs just before Christmas at what was formerly the government shipyard (now called Shipbuilding Fiji Limited). It dropped Housing Authority interest rates, but did not apply this across the board as originally promised. It introduced a 10 percent reduction in water rates, while proceeding with the privatization of the Fiji water authority. The value-added tax was removed from six basic food items, and import tariffs on some household and food items were lowered, but the government also announced plans to license rice importers, a move that would likely lead to a rise in the price of rice.

The first People’s Coalition budget, handed down in November, was remarkable for its apparent turnaround in key areas. Instead of signaling a break with the past, Chaudhary as finance minister delivered a budget that many saw as continuing the economic policies of the previous svt government. Described by some commentators as pro-business, the new budget defied expectations by not increasing taxes or duties, not abandoning market deregulation and asset sales, and not shifting the focus of government investment. At the same time, he increased spending on infrastructure, agriculture, health, education, and social welfare, mostly in line with election promises. One other sector to benefit was the military, which was allocated a 12.7 percent increase in its budget. The People’s Coalition plans to finance its policies mainly by using capital from the sale of government assets, maximizing tax collection through better compliance, and cracking down on waste and mismanagement of government resources (Review, Dec 1999, 30).

The general reaction to the budget, especially of business leaders, was one of relief. However, concerns were raised about whether the budget went far enough to stimulate private-sector investment. There were also warnings
that if the government was to fulfill its social commitments, while containing public debt, gross domestic product would need to grow at around 6 percent for the next three years, a prospect that many thought unrealistic (SP, 7 Nov 1999, 5). The economic outlook in 1999 was nevertheless a lot brighter than in recent years, partly due to recovery of the sugar industry from drought, record tourism receipts, growth in garment exports, and earnings from gold. There were good prospects for new tourism investment, in particular hotel development. The economy was also benefiting from devaluation of the currency in 1998.

In its election campaign, the People’s Coalition had made the economy its priority and, specifically, the problems of unemployment and poverty. Its grassroots support largely depended on progress in these areas. But two other pressing issues were the long-term future of the sugar industry in a free-trade environment and the vexing land tenure problem. Both were integrally related and, for the Labour Party, both were of critical importance to one of its main constituencies—the Indo-Fijian cane farmer. However, the land issue was also fraught with racial sensitivities and proved to be the government’s Achilles’ heel—the focus of opposition-fueled Fijian antipathy toward the government, as well as of conflict within the Coalition.

With its political survival and the long-term health of the economy dependent on the resolution of the land issue, the stakes for the government could not have been greater. It was therefore surprising and disappointing that in their first seven months in office Chaudhary and his team succeeded in polarizing the debate even further, making the prospect for compromise and agreement ever more elusive. The prime minister seemed to get off to a good start in June, when he addressed the Great Council of Chiefs (becoming only the second Indo-Fijian after Jai Ram Reddy to do so). He promised close consultation and dialogue on issues of crucial concern to indigenous Fijians. In spelling out his government’s approach to the land issue, Chaudhary indicated that he would continue with the previous government’s policy of ensuring the use of Crown land by indigenous Fijians. The new government would also work closely with the Native Lands Trust Board (NLTB) and landowners in planning future land use policy.

What soon became clear, however, was that unlike the SVT government, the Chaudhary government was committed to retaining the Agricultural Landlord and Tenant Act (ALTA). This legislation provided for minimum (and maximum) thirty-year leases and was the framework under which most agricultural land was leased. But with most ALTA leases expiring at the end of the 1990s and in the first decade of the new century, the pressure was on to find a successor arrangement that accommodated landowners’ needs as well as providing farmers with secure tenure.

The previous government’s policy had focused on the resettlement of displaced farmers and had set up the Land Development and Resettlement Unit to either purchase freehold land or acquire leases on other vacant land. The SVT government, together with
the Great Council of Chiefs, had also endorsed an NLTB report that recommended that after leases expire, any new negotiations for leasing Fijian land should be conducted under the Native Land Trust Act. This legislation was seen as more beneficial to landowners than ALTA as it gave them flexibility in issuing rolling leases that had no minimum or maximum timeframe. In general, their policy favored a return of land to Fijians in order to provide them with opportunities for farming and employment creation.

After setting up an ALTA subcommittee to hold talks with the NLTB, Chaudhary announced in July that he was putting on hold the farmer resettlement program. The idea of a five-year moratorium was mooted, where farmers and tenants would be permitted to remain on their land until the future of ALTA was resolved (for Chaudhary this meant an amended version of ALTA being adopted by Parliament). The prime minister also proposed that farmers who did not want to be resettled after the expiry of their leases would be provided with a “rehabilitation grant” of $28,000. Later in the year Chaudhary disbanded the Land Development and Resettlement Unit, citing dubious deals and waste of public funds. In its place the government planned to establish a Land Use Commission, which would develop and implement policy for ensuring the long-term and productive use of all available arable land.

These moves triggered angry responses from some landowners and high chiefs. A major landowner in Ba province warned that landowners would “die fighting” to keep their land. Fijian political parties also rejected any attempts to extend ALTA leases, saying they would “resist, by force if necessary, any such unlawful attempt to deprive [Fijians] of their last valuable asset” (FT, 10 Aug 1999, 3). A September meeting of the Great Council of Chiefs discussed the government’s submissions on land. It reaffirmed its call for future leases to be based on the Native Lands Trust Act, arguing that ALTA was no longer tenable, being inequitable to landowners. It also rejected the idea of a Land Use Commission. By year’s end the situation seemed to have deadlocked.

With the land issue stirring up Fijian hostility toward the government, talk again surfaced of a “grand Fijian coalition,” based on Fijian political parties. The main proponents appeared to be the FAP backbencher Ratu Tu'uakitau Cokanauto and SVT leader Ratu Inoke Kubuabola. Ratu Tu'uakitau, who had won his seat on a recount, had emerged as a vocal critic of the government and of Adi Kuini’s leadership of the FAP. Among other things, he claimed that Adi Kuini had compromised the party’s position by accepting only four cabinet posts and that she did not consult the party on its senate nominees. He also criticized government policies, taking the SVT line that it was “not a government for the Fijian people.” In September he was elected party leader by an FAP executive meeting, but Adi Kuini applied for a judicial review, which she won, and was subsequently reelected party leader by the FAP’s annual general meeting. The split in the party executive was between FAP cabinet ministers who supported the Coalition, and FAP backbenchers who
acted more like opposition members. Early in the New Year (2000), Ratu Tu'uakitaau took advantage of Adi Kuini's absence overseas, where she was receiving medical treatment, and his position as acting party leader, to threaten to pull the FAP out of the Coalition.

The FAP was not the only Coalition partner to suffer internal conflict. PANU's leader, Apisai Tora (who had lost his seat in the election), also backed the concept of a "grand Fijian coalition" and had agitated against the Chaudhary government since its election. In September he called for PANU's four members of Parliament to withdraw their support for the government. Instead the members succeeded in ousting Tora as party leader, electing in his place the minister for Youth, Sport and Employment Opportunities, Ponipate Lesavua. The four PANU parliamentarians reaffirmed their support for the Coalition.

The prospects of a "grand Fijian coalition" emerging as a real threat to the government appeared limited, for now, by the desire of Fijian cabinet ministers to keep their jobs and the lack of any clear leadership of such a coalition. However what remained a weak spot for the government (and a potential source of trouble) was the perception of the Chaudhary government as being "not for Fijians." An end-of-year assessment of the prime minister was that he had not shown enough sensitivity to Fijian protocol; nor had he "reached out" enough to the Fijian chiefs, in particular over the land issue (Review, Jan 2000, 20–22). So suspicious had landowners become of the government that it was impossible to hold a rational debate about the future of land, despite the merits of the government's proposed Land Use Commission. It did not help when Deputy Prime Minister and Labour stalwart Tupeni Baba, in an interview with the Fiji Times, admitted that the government needed to be more careful in the area of Fijian tradition. He also acknowledged that some Fijian civil servants felt marginalized by the transfers and appointments made by the new government.

Some of the blame for this problem lay with Chaudhary's leadership style and his tendency to not consult or take advice. As was remarked on a number of occasions, Chaudhary tended to run his government the same way he ran a union or a political party: with an iron fist. Although by no means the first prime minister to be branded arrogant, Chaudhary proved extremely intolerant of criticism, and his relationship with the media at times bordered on open warfare. He also showed a stubborn disregard for good public relations, stirring controversies over such issues as the appointment of his son to be his private secretary and renovations to his private home paid for by the government.

In a revealing insight, Chaudhary described former Singaporean Prime Minister Lee Kuan Yew as a visionary and leader he admired. "Some people say he is a dictator. But he is a strong leader and he has delivered" (Review, Jan 2000, 25). Whether or not Chaudhary and his government deliver remains to be seen. There is no doubt that Chaudhary has engineered a historic electoral victory and political realignment in Fiji. With an end-of-year approval rating of 62 percent, he has an unprecedented opportunity to
guide the country toward greater prosperity and a more promising future. The hope is that this opportunity is not squandered.

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