THE EFFECTS OF THE CONSTITUTIONAL MONARCHY ON DEVELOPMENT TRENDS IN THE KINGDOM OF TONGA; with Special Emphasis on the Reign of King Tupou IV.

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ON DEVELOPMENT TRENDS IN THE KINGDOM OF TONGA:
with Special Emphasis on the Reign of King Tupou IV.

This is a "Plan B" paper submitted in partial fulfillment for the
requirements of a Master's of Arts Degree in the Pacific Islands Studies
Program, University of Hawaii at Manoa.

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October 26, 1982
re-edited in 1984
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0. PREFACE

From 1972 to 1974, I lived in the Kingdom of Tonga. This was a time when the nation was on the crest of change. Problems endemic to other developing nations such as rapid population growth, rural to urban migration and the breakdown of socio-cultural traditions were just beginning to surface. But lacking in sophisticated transportation and communication networks, Tonga remained largely isolated from international trade routes and foreign influence. Few tourists arrived. Overseas emigration, though growing, affected only those areas near the district centers of Ha'apai, Vava'u and Tongatapu. The majority of the population practiced a semi-subsistence life-style that revolved around the traditional Polynesian extended family unit.

The decade of the seventies however, ushered in a period of change for many Pacific nations. Curious to see how Tonga had been affected, I returned in the summer of 1980 to research the social and economic changes that had occurred in light of the objectives stated in the Third Year Development Plan for 1975-1980. Upon examination, it became clear that actual results were at variance with desired results. This suggested that either the planning process or plan implementation needed improvement. After reviewing these, I concluded that the principle weakness regarding development in Tonga lay, not in the lack of definition of the nation's goals and objectives, but in the inability of development projects to achieve these goals.

In addition, the development process was further complicated by the number of diverse groups involved in orchestrating development projects.
These included private, foreign, religious as well as the various functional divisions of the public sector. Although all perceived the single, most important goal as one of upgrading the standard of living, no systematic approach toward achieving this was agreed upon. Solutions were done in ad-hoc fashion, whereby each group worked in a vacuum, often at cross-purposes or at odds with each other. Concurrently, a variety of new factors emerged to further hinder the process: overseas emigration, a growing middle-class, a larger and better educated commoner-elite, and an increasing involvement with the international community.

Because of the impact of these forces and their interaction vis a vis the Tongan economy, traditional control and the future of the present political structure were under question regarding their suitability in directing and managing Tonga's future. Although the foundations upon which the Constitutional Monarchy rest are still strong and influential, there is some indication, especially in the recent articles (written by Tongans themselves) that it is time to reassess the present political system to determine if it is structurally capable of coping with the increasing demands placed upon it (Tapuevelu 1976:176). An examination of the impacts Tonga's Monarchs have historically had on development trends could shed light on future prospects for the nation.

This is a preliminary overview and should by no means be considered a final analysis on the qualifications or intentions of those who exercise control. Data has been derived from Tonga's first three Five Year Development Plans, the 1977 Mid-Term Review of the third Five Year Development Plan (DP III), as well as government documents and personal
interviews conducted during three months field research in the Kingdom in 1980 (see Appendix B).

I would like to thank the Tongan government and all those who assisted in gathering material for this study. Special thanks go to the Tongan Central Planning Board, the Ministry of Education, Works and Civil Aviation, the Ministry of Agriculture, and Drs. Steven Levine of Victoria University, Wellington, N.Z. and George Marcus of Rice University, U.S. Particular heartfelt thanks go to the Vite family of Tokomololo for their exceptional kindness during my repeated visits there.

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1982
CHAPTER 1. TONGAN MONARCHS AND TONGAN DEVELOPMENT

1.1. Introduction

In most respects, the Kingdom of Tonga, located in the central Pacific, is typical of many small Pacific Basin nations. Geographically isolated, it has a rapidly expanding population spread across 170 islands (267 square miles) spanning 400 miles north to south. The people are mostly rural-based and semi-subsistence, growing food for daily consumption as well as for local and export markets. Like other Polynesian cultures, Tonga's traditional socio-economic organization was based upon the extended family. Within this framework, work tasks were carried out communally and most things were corporately owned. Even today, Tongan kin systems are still strong though increasingly under challenge due to both overseas migration and the new economic system: a cash income can not afford to meet all kin obligations. Where subsistence activities (farming, fishing, and the production of handicrafts) once satisfied traditional obligations, today's obligations necessitate the need for ready cash to assist with school fees, airline tickets, and the purchasing of special foods for feasts.

The Kingdom also shares many of the multifarious problems similar to other developing nations: a limited resource base, over-population, lack of skilled technical and administrative manpower, a low GNP and a high balance of trade deficit. The economy is heavily dependent on the agricultural sector although light industry and a growing tourist trade also generate income. Presently, overseas remittances are the leading source of revenue for many Tongan families.

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However, one feature unique to Tonga alone is its political structure. Unlike other Pacific Basin nations, many of whom have only recently acquired their political independence, the Tongan government has remained remarkably unchanged since its inception in the late 1800's. Historically renowned for its highly-stratified society consisting of Kings (Tu'i) chiefs (Eiki) and commoners (Tu'a), the present Monarchy reflects a traditional hierarchy that was a legacy from 900 A.D. These days, where many other Pacific nations pay only lip-service to their traditional leaders, the government of Tonga is still, to some extent, composed of and controlled by them.

1.2. The Making of a Monarch

Prior to 1826, Tonga represented a highly-centralized group of island enclaves ruled by three leading chiefly clans - the Tu'i Tonga, the Tu'i Ha'atakalaua and the Tu'i Kanokupolu. After a period of unrest

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1 Recent archeological evidence indicates that Tongans originated out of southeast Asia and, along with other Lapita cultures, migrated eastward through New Guinea, Vanuatu and Fiji before settling in Tonga around 1000 B.C.

2 One interpretation of Tonga's political history suggests that the Tu'i Tonga was created sometime in 900 A.D. Considered to be a "priest king", or one closest to the Tongan Gods, such persons exercised full sovereignty over Tonga for six centuries. But repeated assassinations of Tu'i Tongans in the 15th century, led the Tu'i Kauulufonua I to introduce a subsidiary leader, the Tu'i Ha'atakalaua whose duty was to act as a buffer between the Tu'i Tonga and the people. From then on, the Tu'i Tonga line acted as the spiritual rulers of the country whilst the Ha'atakalaua and eventually the Tu'i Kanokupolu chiefs handled the affairs of state. The latter position, Kanokupolu was created in the early 17th century when the Tu'i Ha'atakalaua (Moungatonga) appointed one of his sons to assist him. The new line proved very powerful and in the late 1800's eclipsed both the Ha'atakalaua and Tu'i Tonga lines. With the death of Tu'i Laufilitonga, the 39th Tu'i Tonga, the Tu'i dynasty ended as no successor was appointed. Instead, the office was absorbed by George Tupou I (Taufa'ahau) the reigning Tu'i Kanokupolu. (For further reading, see Williamson 1924; Latukefu 1974; Wood 1945)
and civil wars between the various clans, a chief named Taufa'ahau emerged as the dominant leader by first consolidating his power in the Ha'apai group. He then conquered the highly independent people of Vava'u and finally established control on Tongatapu (the largest island where both the present capitol, Nuku'alofa, and the Royal Palace are located.)

During this period, missionary activity had been increasing and, by 1834, their influence convinced Taufa'ahau to convert to Christianity. Soon, thousands of Tongans followed suit, thus ushering in a new religious era. This eventually culminated in the Church's strong and influential relationship with the state. Latukefu notes that traditional Tongan society and its social, economic and political institutions had been closely integrated with the traditional religious system.

"Thus when influential chiefs and their people accepted Christianity, the equilibrium of the old social system was undermined and changes and adjustments became inevitable. A deliberate effort was made to reconstruct Tongan society upon new Christian beliefs and values" (1974:119).

Steps to do this began in 1839 when Taufa'ahau, to further consolidate his power, devised Tonga's first written code of laws. Entitled The Code of Vava'u, it was limited to the subjects of that island group (although a similar code had been created several years earlier for Ha'apai.)

Later, in 1850 when Taufa'ahau (henceforth called King George Tupou I) was finally acknowledged supreme ruler of all of Tonga, he established a code of laws for the entire island chain. The most striking feature of this Code was "the bold step it made toward limiting the power of the chiefs" (Ibid.22). Latukefu suggests that Tupou I's desire to emancipate
commoners and slaves from their obligatory status to the chiefs was, in large part, influenced by his deepening Christian beliefs.

Twelve years later, determined to continue restructuring Tonga's political, social and economic systems, Tupou I wrote the Emancipation Edict. The Edict effectively abolished slavery and the system of semi-serfdom that had previously been the cornerstone of the commoner/chief relationship. Among other revolutionary ideas such as the guarantee of liberty and equality to all men, the Emancipation Edict "freed commoners from forced labour and contributions of produce, and allotted them portions of land, in which they were to pay rent and tax" (Bollard 1974:14). Money accrued from land rents was to act as state revenue. From this, salaries of government officials (of which there were few) were paid.

1.3. The Constitution of 1875

Thirteen years later, in 1875, with the assistance of missionaries, Tupou I drew up a final and complete constitution. Called the Tongan Constitution, it's creation was founded on three fundamental desires of the King: to build a nation that would remain independent and free from foreign intervention and dominance (thereby avoiding the political misfortunes undergone by fellow Pacific islanders such as the Hawaiians, the Tahitians, Fijians and the New Zealand Maoris); to act as a means of further confirming the rights and independence of the commoner class; and to guarantee a unified and hopefully peaceful relationship amongst rival chiefs. Undoubtedly, these were difficult tasks, particularly with the potentially mutinous chiefs, who grew increasingly resentful as each successive code undermined still more of their traditional positions of
authority. Fortunately, the 1875 Constitution, noted for its foresight and imagination, was constructed in a manner that diffused some of their ire.

Drawing heavily from the Hawaiian Constitution, the document was worded in such a way so that Tonga would gain recognition from the dominant foreign powers in the region as a legitimate nation. It was hoped that this would ensure the Kingdom a future of political independence. Consisting of 132 articles, it contained three main divisions: A Declaration of Rights; Forms of Government; and The Lands. The Declaration of Rights addressed issues ranging from individual liberty and equality to freedom of worship, speech and the press.

The Lands, with little elaboration, closely followed the laws established in the 1862 Emancipation Edict. By decree, commoners were entitled, at the age of sixteen, to apply for and receive 8.5 acres of farmland. For this, a small yearly poll tax was exacted which was paid directly to one of thirty-three Estate Officers. These Estate Officers, otherwise known as "Nobles", had formerly been Tupou I's rival chiefs. Under the new Constitution, they were given large tracts of land and created virtual landlords of specific districts. The money accrued from land taxes was to be used for their livelihood and to meet social obligations.

The section entitled Forms of Government, declared that Tonga would become a Constitutional Monarchy and that supreme power of the nation was to be divided between three bodies: the Executive Branch (consisting of the King, the Privy Council and the Cabinet), the Legislative Assembly (or Parliament), and the Judiciary. The highest executive body in the Kingdom would be the Privy Council, over which the King would preside. Members of the Privy council would include all Cabinet members. Cabinet, as the
second highest body in the Executive arm, was composed of government ministers whom the King personally appointed without election or public involvement.

Furthermore, the King, whose duty was to rule and reign as supreme leader, was granted the right to veto, to make treaties with foreign nations (with the consent of the Legislative Assembly), to act as Commander-in-Chief of the army and navy\(^3\) and to convene and dissolve the Legislative Assembly as he saw fit. He could also appoint and dismiss (except in the case of nobles unless they were found insane or guilty of treason) representatives to the Assembly. The thirty-three nobles were designated members of the Privy Council, the Cabinet and the Legislative Assembly. Thus, they could continue to wield power, with some restraints imposed, as the traditional leaders and decision-makers of the nation.

All heads of government Ministries,\(^4\) members of the Cabinet and governors of Ha'apai and Vava'u were to be nobles. The Legislative Assembly included government Ministers, twenty chiefs appointed for life by the King and twenty people's representatives. The people's representatives were elected as independents. No political parties were established.

In theory, the 1875 Constitution, by super-imposing a western-style political structure of centralized, constitutional government, formally removed traditional responsibilities from the chiefly classes. In practice, however, structured in such a way so as not to erode their prevailing power relationships, it still catered to their needs and desires first. Nobles could continue to dominate the Tongan hierarchy and the

\(^3\) However, the King could not declare war without the consent of the Legislative Assembly.

\(^4\) At that time there were two: the Minister of Lands and the Minister of Police.
traditional economic base (land). But the new land tenure system, by imposing limits to this power, constrained their attempts to manipulate and control the daily lives of the commoners beneath them. The Constitutional Monarchy also prevented them from legally usurping the power of the King above them.

Since the establishment of Tonga's Constitution, there have been four monarchs: Tupou I, Tupou II, Queen Salote and her son, the present King, Tupou IV. With the otherwise static reign of Tupou II, the other rulers have left definite imprints on Tonga's political, economic and social systems, which in turn have had marked impacts on the nation's development trends.

1.4. Phase I: 1850 to 1893 - Tupou I, the Revolutionary

The latter half of the 1800's represented a period in Pacific history of marked European intervention, expansion and influence. Island groups were consolidated and colonized, missionary activity increased and trade with foreign markets became pronounced. The reign of Tupou I, considered the first of three transition phases in modern Tongan history, began in 1850 and ended with his death in 1893.

Characterized as a radical era, Phase I represented a unifying period where deliberate, revolutionary changes were enacted to overthrow the old social, political and religious structures (Hau'ofa 1978:160). These changes were made both in reaction to developments going on outside the nation as well as within it. Bollard (1974:9) states that it was a period of sudden and vigorous European intervention through the Church, the government and the trader. Foreign systems such as Christianity, a cash economy and a more democratic way of interacting were being imposed upon
Tonga's traditional socio-economic and political systems. Realizing this, Tupou I sought to structurally change Tonga's traditional modus operandi by adapting and incorporating these new influences into it. In so doing, he simultaneously allowed a greater social mobility outside the noble class and reaffirmed his position as supreme leader.

Ultimately, the flavor of these adaptations was distinctly "Tongan." The political structures were cleverly given western names although in reality they did not quite function in ways synonymous to western political systems. In most parliamentary states for instance, the appointments of Cabinet members is carried out by the Prime Minister. In Tonga, it is left to the King's discretion. Although the Constitutional Monarchy was a "departure from the traditional Tongan system in its degree of centralization and its acceptance of limits to the King's authority in the rule of law" (Latukefu 1974:210), the power to rule and command respect remained where it always had, albeit more heavily upon one person. The King had the power to direct, initiate or arrest change even though such power had to be exercised through structures that were assigned western names.

It is possible that without such centralization, Tonga would have been absorbed by dominant foreign powers in the region (British, French, American, German) thus relinquishing its political integrity and independence.5 But the creation of the Constitution was a brilliant

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5 Tonga distinguishes itself as the only Pacific Basin nation never to have been colonized. However, in 1900, to safeguard its political autonomy, the government sought and was granted protectorate status under the British government. From then until 1970, when the Kingdom returned to complete independence, England managed Tonga's foreign affairs and British citizens often served on various government ministries.
political move on Tupou I's behalf. By structuring the Kingdom both politically and emotionally, not only did it safeguard Tonga's political status as a free and independent nation, but it also served as a blueprint for Tupou I's successors in future generations.

1.5. Phase II: 1893 to 1965 - Tupou II and Queen Salote, the Traditionalists

Twenty-five years later, when Tonga came under the protection of the British government, the Constitutional Monarchy did not deviate from the system established by Tupou I. But then, government influence and intervention was still minimal. Hau'ofa notes:

"The government was so relatively remote from our daily lives that it was referred to as the government of Tupou and the chiefs. We felt the authority of state mainly when we stole unreasonably from each other, or when we broke some other rules too often. We also felt the authority of the state annually, when we had to pay our low poll-tax but that was for free medical care, free education in government schools and for other public services. Apart from that, we had little contact and made little demand on it" (1978:4).

Phase II of Tonga's modern history begins at this time, with the reign of Tupou II (1893 to 1918) and ends in 1965 with the death of Queen Salote. During the early stages of this era, certain sectors of the economy became monetized as trade with foreign markets expanded. Contact with the outside world grew and demand for Tongan land and resources increased. Alarmed at the Tongan people's growing indebtedness, especially to the church and foreign traders, the Tongan government responded with new legislation to protect Tongan citizens from future attempts by speculators to exploit native resources and labor for quick profit. Europeans were no longer allowed to participate in native work groups without government permission (1911); Tongans were prevented from
mortgaging their crops for money (1912); a Lands Court was established in 1921; and in 1928, Europeans became subject to Tongan courts on some counts. Laws were created to both prohibit entry to Asians and limit the number of European and Pacific island immigrants. In this way, Tonga could effectively control its own resources.

Government services also expanded, particularly during Queen Salote's reign. Where previously the responsibilities of the government had been to collect yearly poll-taxes and with these extend government services to the private sector, the needs of the Tongan people were changing. Soon the government took on additional duties to meet these needs, including administering and allocating lands, paying civil servants, supporting and maintaining roads, buildings and public utilities, marketing agricultural produce and managing customs. New Ministries were created to handle these demands.

Despite this, the presence of the government, at least in governing the affairs of the private citizen, was insignificant. The Churches continued to exercise an influential role both in health and education as well as in the daily lives of the people. It therefore mattered little whether the Legislative Assembly had much political power, for the Tongan economy remained largely self-sufficient, independent of foreign interests and involvements.

Bollard (1974:85) asserts that although there were increasing opportunities for public participation in the money sector via cash cropping, little interest was shown. This was largely due to two factors: Tongans were not dependent on a cash economy for their livelihood and, through the continuing influence of Queen Salote and the Churches, an
overwhelming importance was placed upon subsistence production. In fact, realizing that the given economic resources of Tonga left little possibility of the state fulfilling the social or economic function of kinship, Queen Salote actively encouraged a return to a more traditional "Tongan" way of life (Ibid.61). The teachings of Tongan culture, custom and genealogies were emphasized and citizens were encouraged to maintain their extensive kin networks and "self-help" life-style.

Fundamentally, Phase II was a period for Tupou I's ideas to ferment and take hold. The creation of anti-foreigner laws both protected the Kingdom's political status and acted as "a symbol of increasing Tongan independence in Church, government and commerce" (Ibid.63). There was no need, due to growing external pressures, to radically alter the social or political systems. Rather, with few new ideas, the government and people could turn inward, relying on those structures erected by their ancestors.

1.6. Phase III: 1965 to the present—Tupou IV, The Modernist

During the latter half of Queen Salote's reign, particularly after World War II, the world began to change dramatically. Transportation and communication networks became more sophisticated. More efficient technologies were discovered to mine minerals and manufacture materials. By the time Salote's son, Tupou IV, came into power in 1965, increased participation in the world economy through emigration, foreign aid, trade and tourism had seriously altered the traditional Tongan way of life. The extended family, which had slowly become more nucleated during Salote's reign, transformed into single female head of households as more men
emigrated overseas seeking wage employment. Population pressures and an education system modeled after the New Zealand system, while encouraging emigration, also influenced a receptiveness to change and a necessity or desire to move away from farming to business and industry. Where initially, the better educated and more worldly Tongans had been of the noble class, the average citizen soon became as well, if not better educated and travelled than those of higher birth. Exposure to Western goods and life-styles coupled with a developing awareness that anyone, regardless of blood, rank or title, could attain them, increased both expectations and impatience to do so. Thus, Tupou IV began his reign with a different and potentially more complex set of problems than any of his predecessors. The "us against them" attitude which acted as a rallying point in Phases I and II soon shifted into "every man for himself."

Presently, the growing interaction with the world community through foreign aid, industry, technology, material goods, tourists, and overseas emigration is beginning to have significant social and economic impacts, leaving Tonga far more vulnerable to being enveloped by a forum of multi-national economies. Realizing, therefore, that there was no turning back as Queen Salote had done, Tupou IV has actively courted change by encouraging his people to become more involved in business, industry and trade.

This era has been characterized as an era of development and modernization; of looking outward, "desiring to move away from the old and familiar order toward something different" (Hau'ofa 1978a:161). At this point in time, it appears that present development policies are

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6 Hau'ofa then continues to say "...and we have very little notion about what that new order will be" (Ibid.161).
committed to developing Tonga's resources in ways that will create new sources for financial gain beyond the traditional agricultural sector. The Kingdom is welcoming foreign investors, expertise and technologies as never before in its history.

There is little doubt that diversification of the production base is both a prudent and necessary maneuver on the part of Tupou IV and his government ministers, especially since population density, among the highest in the Pacific Basin (137 people per square miles) leaves less land available for subsistence activities. However, the future ramifications of this development strategy, and the government's ability to plan accordingly, keeping the welfare of the Tongan people and the best interests of the nation in mind, require considerable analysis.
CHAPTER 2. DEVELOPMENT IN TONGA

2.1. Overview of Development Strategies

What is "development", where does it lead and how does a country like Tonga go about achieving its goals via development?

Kavaliku (1979:16) defines development as a directed process taken by a country to achieve a better life physically, spiritually and socially for its people. Tapueluelu, in his article "Research and Development in Tonga" asserts that the Tongan Bishop, Patelisio Finau, views development as a process of the creation of the new man, a man liberated from physical constraints, disease and utter dependence on ill-understood resources (1976:179). Schumacher, the world reknowned development economist, shares a similar notion as stated in his book Small is Beautiful: "Development does not start with goods; it starts with people and their education, organization and discipline" (Schumacher 1973:168). All of these views originated in the last ten years and are contrary to the more traditionally known and accepted Classical Development Approach in which development is viewed in purely economic terms.

Classical Development Approach: Based on the precept that societies are transformed by economic rather than political or social change, the conventional approach used to develop a nation's resources stressed economic factors. This approach was termed the Classical Model of Development (also known as the Western, Growth or Technocratic Model) that arose after WWII and was based on the assumption that man was essentially
an economic animal who desired the "good life". Involving capital accumulation and material consumption, the good life could be achieved through widening the capitalist relations of production and increasing the labor base from which surplus value could be extracted (Bradby 1975:142).

Hence, the Classical Development Model encouraged the use of modern technologies, managerial efficiency and rapid infusions of capital into the economy. In fact, all resources, both public and private, were to be directed toward the development of that sector which promised the highest economic returns. This included the development of commercial and institutional infrastructures as well as investment by private entrepreneurs in manufacturing activities (Solhe 1982:8). In this way, it was hoped that standards of living would be raised, the quality of life improved and poverty eliminated.

But after several decades it became clear that many nations following this strategy, particularly those lacking in capital and marketable resources but having plentiful supplies of labor, benefited little. This was due to the indigenous lack of capital, technologies and skilled expertise and thus, the necessity of importing such things from already developed (industrialized) nations. A variety of problems resulted: indebtedness, exploitation, economic imbalances, and a loss of economic and even political integrity. In reaction to this, two other Development approaches arose.

**Neo-Classical Development Approach:** The Neo-Classical Development Approach, also called the Reformist or Integrated Strategy, claimed that in many of those nations that had followed the Classical Development Approach, the poor became even more impoverished than they had been at the outset of
development. This was largely because they were rural-based, where the economy revolved around the most neglected sector in the Classical Development Model - agriculture.

To counteract this, the Neo-Classical Development Approach encourages the conscious effort to simultaneously redistribute wealth, productive assets and political power while also promoting economic growth (Solhee 1982:12). Specific strategies evolved, including the Basic Needs Approach, the Integrated Rural Development Approach and Redirecting Investment (see Chenery 1975; Goulet 1975; and Schumacher 1973). All stressed the alleviation of poverty by emphasizing both agriculture and rural development and encouraged a more holistic development approach that recognized socio-cultural and political as well as economic factors.

Radical Development Approach: Proponents of Radical Development, the most recent development model, claimed that Classical Development was no more than a highly exploitative arrangement of benefit mainly to the country supplying the necessary tools in which to induce economic change. It was within this context that a school of thought called Dependencia originated, asserting that developing nations became linked to donor nations to an extent that cost them their political and economic integrity.7 A supplier-producer, or what Andre Gunder Frank termed a core-periphery relationship evolved between the developing and developed nation in which the former supplied the latter with raw materials. These were then manufactured into marketable goods. But because markets as well as capital, technologies and expertise were controlled by developed nations, the internal economic and political structures of the developing nations

7 This implied that no real development could occur while linked to the exploitative world economy.
eventually became intricately tied to donor nations. In the developing countries, with the exception of a handful of elites, few others stood to benefit from this arrangement. It was further claimed that underdevelopment itself was actually created by these linkages (development of underdevelopment a la Andre Gunder Frank.)

To end this, Radical Development suggested a "redistribute first, growth later" policy, advocating that developing nations initially concentrate on social justice and political reform within their own boundaries before embarking on projects to foster economic growth. Equity, the redistribution of assets (particularly land) and the necessity to increase opportunities for all citizens to share in the political process are the cornerstones of the Radical Development Model. Theoretically, it was thought that by restructuring the social, political and economic systems in less unequal and exploitative ways, developing countries could possibly be protected from the ills of dependency.

2.2. Development Choices: Potential "Futures" for Tonga

Based on the above, there appear to be at least four potential development strategies Tonga could incorporate into its overall development objectives. These are Isolation, Synthesis, Integration and Absorption.

Isolation: Resembling closely the Radical Development Approach, the principle aim of an Isolation strategy would be to eradicate, or at the very least minimize, foreign influence and investment within Tonga. Similar to Phase II, Isolation would return the Kingdom to an era of political autonomy and economic self-sufficiency. This would involve both dispensing with aid programs and food imports and revising existing land tenure laws.
to better facilitate that segment of the population dependent on a cash income. Presumably, an Isolation strategy infers that changes must also be made in the political hierarchy. This is because socialism is regarded as the only answer to the inevitable distortions of a capitalist system (Cardoso 1972:95).

**Synthesis:** Similar to the Neo-Classical Development Approach emphasizing "slow growth", rural development and working from within, a Synthesis strategy would stress the building upon traditional activities and already available and affordable resources (e.g. agriculture, fish,) with modern technologies. This includes the development of better transportation, marketing and production methods that are mainly directed toward growth and expansion in Tonga's agricultural and fishery sectors. The establishment of small-scale industries to manufacture, market and redistribute local goods would be encouraged. Similar to Phase I, Synthesis incorporates what it can afford from external sources into the development of internal resources. By shielding the Kingdom from unnecessary foreign debt and over-dependency on foreign aid, expertise and technology, Synthesis could potentially ensure a future of political independence and economic interdependence for Tonga, where, with some adjustment, the present political structure could continue to operate.

**Integration:** Following closely the Classical Development approach by emphasizing rapid economic growth, the government would seek to establish a strong industrial base, including tourism, small and large-scale export-oriented industries and increased production capacities in the agricultural sector. Expansion of the industrial sector coupled with increasing access to international markets could stabilize the economy and provide more employment opportunities within the Kingdom. (Given the
relative scarcity of "marketable" items in Kingdom, such as minerals, this might not be possible otherwise.) However, in order to do this, it would be necessary to draw heavily from foreign capital. And in order to better facilitate economic growth, a restructuring of the political structure into a more fundamentally democratic and/or efficient system might be required.

Integration and Synthesis strategies differ, not so much in the type of development activity undertaken, but in the degree and manner to which a country involves itself with the international community. Synthesis, a more cautious form of integration, builds upon existing resources with a minimum of borrowed money. Integration can be riskier because the scope of it's development projects necessitates greater dependence on foreign involvement (expertise, materials and capital) to reach desired goals.

**Absorption:** In essence, Absorption is an Integration strategy taken to the extreme, whereby foreign involvement and debt increase so substantially that the price of political and economic integrity are exacted. In other words, a dependency relationship evolves and Tonga, unable to develop a sufficient economic base, eventually becomes a welfare state dependent on the beneficence of a larger and more powerful nation.

In terms of Tonga's future and the development strategies the government is presently pursuing, let us first examine the present state of the Tongan economy in view of both the available resources and particular constraints that could potentially affect development policy and planning.

2.3. **The Tongan Economy Today**

The Tongan economy is predominately agricultural. Fertile soils and adequate but not excessive rainfall provides Tonga with good conditions for crop production throughout the country (Maude 1973:163). This, coupled
with a lack of significant mineral resources, indicates why land has been, and still is, the basis upon which the Tongan economy rests. Half the total gross national product and over 70% of the active labor force originate in this sector. Leading crops are copra, bananas, and vanilla.

Although a smattering of small industries, tourism, and overseas remittances are beginning to have substantial inputs into the national economy, agricultural exports still constitute the leading source of revenue for the Kingdom. At the end of the 1970's, they accounted for about 90% of Tonga's total export earnings. But because this sector is so heavily dependent on overseas markets in which to export agricultural produce, the economy becomes easily destabilized due to price fluctuations based on supply and demand. This reflects in Tonga's balance of trade deficit. For instance, during the period from 1975-77, although imports increased substantially, export growth exceeded that of imports by 1% due to increased vegetable and fruit exports and higher copra prices on the world market. However, during the last seven years, the level of imports increased 83% over exports, and unless overseas markets continue to expand, export levels may not keep pace with imports (Mid-Term Review 1980:26).8

During 1975-77, the balance of payments deficit, the balance of trade deficit and the foreign debt increased, the public debt doubled and inflation rose 32.3%. In their study of Rural Development in Tonga, the Tongan Council of Churches reported:

"Tonga's economy runs at a little more than subsistence levels as far as many of the Kingdom's people are concerned. The international balance of trade is unfavourable yet overseas

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8 The total value of fuel, automobiles, buses, trucks, motorcycles and bicycles rose 98%, 63% and 46% respectively from 1975-77. Of total imports, foodstuffs constituted 25% (Ibid.27).
resources are little affected. There are few months when Tonga does not report a massive trade deficit. Only aid from governments, churches and aid agencies in developed countries together with remittances from Tongans working overseas prevents a run-down of Tonga's foreign reserves" (Tongan Council of Churches 1980:14).

In summary, Tonga's economy is becoming highly dependent on foreign aid, overseas remittances and, to a more limited degree, tourism. The industrial sector remains weak and agriculture continues to be both the dominant source of local employment and the primary source for export commodities. But the capriciousness of the world market may continue to destabilize Tonga's economy unless additional avenues are found to increase the production base. The recent (1980) construction of a small industrial estate points to a trend toward increased market, labor and industrial specialization geared toward both local substitution and export-oriented businesses.

2.4. Tonga's Development Plans: An Overview

Tonga introduced its first five year development plan in 1965.  
It was a simple, project-oriented plan built around the agriculture and social welfare sectors (see Appendix C). Commitments were also made toward up-grading communication, transportation and administrative services.

DP II (1970-75), also project-oriented in terms of improving various agricultural projects (i.e. rehabilitating the coconut industry) slated the development of Tonga's economic potential as its principle objective. This included infrastructure development such as port facilities, roads and

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10 Development Plans will be referred to as DPI, II or III.
airports as well as expanding transportation and communication services throughout the nation. Tourism, foreign investment and the diversification of the production base via industrial development were also emphasized (see Appendix D). Projects in both DP I and DP II were largely funded by the United Kingdom.

DP III (1975-80), a more comprehensive plan than its predecessors, aimed at accelerating economic growth via further development of basic infrastructures and diversification of the production base. "Economic growth is not an end in itself, however, but is the means of meeting the educational, health and social needs of the people and enabling them to lead fuller, more satisfying lives" (Mid-Term Review 1980:1).

Strategies to do this included the redistribution of national income via creation of new employment opportunities; expansion and diversification of local and export markets; balanced development in the Kingdom's three main island groups; and development of the agricultural and manufacturing sectors. Some emphasis was placed upon the tourist industry, the search for and development of the nation's mineral resources, and the diversification of the production base in order to reduce Tonga's reliance on traditional products and imports (Ibid.1).

Proposed projects included the establishment of a Rural Development Institute, a Maritime School, an industrial estate, an artisan fleet to supply local markets with fresh fish, a fruit and vegetable cannery, a coconut mill and a soap manufacturing plant. With increased emphasis on tourism and export-oriented industries, the construction and up-grading of wharves, roads, airports, shipping and health services were given top

11 Oil prospecting has been going on for several years with, as yet, little success.
priority. Funding for DP III projects has come from a number of sources, both national and private. These include the Asia Development Bank, The European Economic Commission, the United Nations, and from the governments of New Zealand, Australia, Japan and the United Kingdom.

2.5. **Analysis of Development Plans with Emphasis on DP III**

Based on the above, it becomes evident that two things are occurring in Tonga's development process. One involves a movement away from the agricultural sector towards developing a more expansive industrial base. The other is an increasing emphasis on accelerated economic growth. Where DP I's objective was to stimulate economic growth through the reorganization and modernization of agriculture and DP II's goal was to develop the economic potential of the Kingdom through agriculture and light industry, DP III's long term objectives are to raise the standard of living and improve social welfare via accelerated economic growth and continued diversification of the production base.

Emphasis on accelerated economic growth, encouraging foreign investment, and expanding and diversifying the production base began shortly after the death of Queen Salote. Prior to this, national development reflected Salote's more traditional bias in favor of agriculture and social services (especially education.) This change in emphasis in national development can, in part, be attributed to the more externally-oriented and modernizing tendencies of Tupou IV. It also reflects both increased foreign involvement in the Pacific Basin as well as growing internal problems such as over-population, dwindling land resources, and a dissatisfied and/or complacent working class. Plans to
develop a wider base of production that offers additional employment opportunities are administrative attempts to contend with these pressures and the potential demands inherent in them.

As is frequently the case with developing countries, the Tongan government lacks the necessary domestic revenue and skilled manpower to finance and construct many of its proposed projects. This manifests in a growing dependency on foreign aid, expertise and technologies to implement many of its plans. But limited capital and "tied aid"12 have forced the government to concentrate funding on the more expensive, but publicly demanded infrastructure projects. Domestic revenues are targeted for administrative salaries and for many education and health services. The government regards the Churches, international, and private voluntary organizations' activities in agriculture, rural development, health, and education as extremely beneficial.13 Private citizens are encouraged to save or invest capital in small businesses via loans from the newly established Development Bank. Thus, even though DP III includes projects that can assist in bettering the quality of life for the average Tongan citizen (through better health and education facilities and additional opportunities in the agriculture and industrial sectors) the bulk of these projects are not being done by the public sector. Instead, aid is channeled elsewhere in the anticipation that once the proper infrastructures are available, the Tongan people will

12 "Because Tonga finds it hard to meet the local cost, but relatively easy to meet the off-shore cost, there is an incentive to begin projects with a high foreign component at the expense of local employment. Therefore, most British aid has been used for infrastructure construction projects" (Pollard 1974:189).
13 These include the U.N., World Health Organization, U.S., Australian and New Zealand volunteers, the Foundation for the Peoples of the South Pacific, etc.
readily take advantage of them through increased economic incentives and employment opportunities.

Where is the aid being directed? In Table 1, the Mid-Term Review lists the following for the period between 1975-77:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Aid Received</th>
<th>% of Total</th>
<th>% of Total 1975-77 Investment Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Housing</td>
<td>71.5*</td>
<td>1.3</td>
<td>2.9</td>
</tr>
<tr>
<td>Education</td>
<td>96.6</td>
<td>1.8</td>
<td>7.0</td>
</tr>
<tr>
<td>Health</td>
<td>449.9</td>
<td>8.2</td>
<td>5.9</td>
</tr>
<tr>
<td>Agriculture &amp; Forestry</td>
<td>876.8</td>
<td>15.9</td>
<td>16.5</td>
</tr>
<tr>
<td>Fisheries</td>
<td>486.9</td>
<td>8.8</td>
<td>8.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>130.1</td>
<td>2.4</td>
<td>3.4</td>
</tr>
<tr>
<td>Roads</td>
<td>227.3</td>
<td>4.1</td>
<td>9.6</td>
</tr>
<tr>
<td>Harbours &amp; Wharves</td>
<td>8.5</td>
<td>0.2</td>
<td>1.8</td>
</tr>
<tr>
<td>Civil Aviation</td>
<td>157.4</td>
<td>2.9</td>
<td>2.3</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>275.5</td>
<td>5.0</td>
<td>6.9</td>
</tr>
<tr>
<td>Marine &amp; Shipping</td>
<td>372.2</td>
<td>6.8</td>
<td>7.9</td>
</tr>
<tr>
<td>Tourism</td>
<td>276.9</td>
<td>5.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Electricity</td>
<td>441.9</td>
<td>8.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Other</td>
<td>1639.0</td>
<td>29.7</td>
<td>18.8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5510.6</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Government Housing DPIII targets included project related housing. Such housing is here included in the sector of the relevant project.

Though these figures are not quite accurate, they give a rough indication of which sectors received a greater share of resources than planned. These include tourism, electricity, health (mostly hospital construction), aviation and "other". Sectors which received less

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14 "Other" includes expenditures on the Legislative Assembly (a target figure of $120,000) and construction of a new Central Police Station ($350,000) which was finally completed in 1984. The monies targeted in these two areas equalled 1/2 of total projected aid for agriculture and forestry for DPIII (Mid-Term Review 1980:16).
than their share of aid during this period were education, manufacturing, agriculture, forestry, roads, harbors and wharves, telecommunications and marine and shipping. Lack of progress with investment has largely been due to the difficulties associated with securing aid sources, satisfying the documentation of aid donors, and delays in obtaining aid equipment and funds. "This latter problem is aggravated by a lack of planning experience and capability in some of the Ministries and Departments" (Ibid.12).

Furthermore, although both the majority of economic activity and 70% of the work force originate in the agricultural sector, it suffers from comparative neglect in aid allocation. Bollard (1974:194) notes that in DP II, 28% of planned spending was targeted for the agriculture sector. However, in DP III, aid allotments for agriculture and forestry actually dropped by 11.5% (see Table 2 for development expenditure and sectoral imbalances). Those sectors that did receive the highest percentage of predicted investment were, with the exception of health, mostly infrastructure projects, particularly those that could benefit the tourist industry (which received all but 8% of its aid allocation.) Even those infrastructure projects that could be of potential benefit to agricultural production and marketing, such as roads, wharves and manufacturing, were relatively low in comparison.
Table 2.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total</th>
<th>1975-77 Target</th>
<th>1975-77 Actual</th>
<th>Actual as % of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Housing</td>
<td>1118.3</td>
<td>334.0</td>
<td>96.9</td>
<td>29</td>
</tr>
<tr>
<td>Education</td>
<td>2653.1</td>
<td>811.4</td>
<td>216.4</td>
<td>27</td>
</tr>
<tr>
<td>Health</td>
<td>1700.3</td>
<td>687.9</td>
<td>470.2</td>
<td>68</td>
</tr>
<tr>
<td>Agriculture &amp; Forestry</td>
<td>4144.6</td>
<td>1906.1</td>
<td>877.0</td>
<td>46</td>
</tr>
<tr>
<td>Fisheries</td>
<td>1871.3</td>
<td>996.5</td>
<td>509.4</td>
<td>51</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2900.6</td>
<td>395.8</td>
<td>130.1</td>
<td>33</td>
</tr>
<tr>
<td>Roads</td>
<td>2149.2</td>
<td>1113.5</td>
<td>227.3</td>
<td>20</td>
</tr>
<tr>
<td>Harbours &amp; Wharves</td>
<td>3235.0</td>
<td>210.0</td>
<td>12.3</td>
<td>6</td>
</tr>
<tr>
<td>Civil Aviation</td>
<td>2499.9</td>
<td>268.0</td>
<td>222.6</td>
<td>83</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>3049.8</td>
<td>793.2</td>
<td>371.2</td>
<td>47</td>
</tr>
<tr>
<td>Marine &amp; Shipping</td>
<td>1266.4</td>
<td>919.5</td>
<td>559.8</td>
<td>61</td>
</tr>
<tr>
<td>Tourism</td>
<td>435.0</td>
<td>382.5</td>
<td>353.7</td>
<td>92</td>
</tr>
<tr>
<td>Electricity</td>
<td>920.0</td>
<td>577.6</td>
<td>445.2</td>
<td>77</td>
</tr>
<tr>
<td>Other</td>
<td>4633.9</td>
<td>2181.2</td>
<td>1675.2</td>
<td>77</td>
</tr>
<tr>
<td>TOTAL</td>
<td>32577.4</td>
<td>11577.3</td>
<td>6167.3</td>
<td>54</td>
</tr>
</tbody>
</table>

Although diversification of the economic base of production is a leading objective in DP III, the Mid-Term Review states:

"There has not yet been the hoped for move into manufactured goods or fish in any significant way. Likewise, there has been little diversification of markets with fruits and vegetables still going almost exclusively to New Zealand and copra to England" (1980:3).

There also appears to be an inverse proportion to government spending and agricultural production, at least in regards to the banana industry (heavily subsidized by New Zealand.) Although banana production received nearly 25% of total agricultural subsidies from 1975-77, in comparison to other crops, banana exports were relatively low (Ibid.75). Factors such as bad weather conditions or a dislike for the intensive labor banana cultivation initially requires could also have contributed to the low volume of banana exports.
Finally, concerning new employment opportunities (see Table 3), it appears that during the first two and a half years of DPIII, increased employment in the government sector reached 1,773 persons. There are 461 more positions than the total DPIII target of 1,312. Of interest here are those sectors that received the highest percentage increase: Law and Order (including defense) 47%; Economic Services 54%; Communication 44%; and Infrastructure Service 82%.

### Table 3.
**NEW EMPLOYMENT OPPORTUNITIES: 1975-77**
(Government Sector: Numbers of Workers Employed)

<table>
<thead>
<tr>
<th>Salaried Workers</th>
<th>June 1975</th>
<th>December 1977</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration</td>
<td>331</td>
<td>425</td>
<td>28% 94</td>
</tr>
<tr>
<td>Law &amp; Order (incl. Defense)</td>
<td>368</td>
<td>542</td>
<td>47% 174</td>
</tr>
<tr>
<td>Fiscal Administration</td>
<td>111</td>
<td>141</td>
<td>27% 30</td>
</tr>
<tr>
<td>Social &amp; Community Services</td>
<td>1149</td>
<td>1448</td>
<td>20% 299</td>
</tr>
<tr>
<td>Economic Services</td>
<td>198</td>
<td>305</td>
<td>54% 107</td>
</tr>
<tr>
<td>Infrastructure Service</td>
<td>103</td>
<td>187</td>
<td>82% 84</td>
</tr>
<tr>
<td>Communication</td>
<td>95</td>
<td>137</td>
<td>44% 42</td>
</tr>
<tr>
<td><strong>Total Salaried Workers:</strong></td>
<td><strong>2355</strong></td>
<td><strong>3185</strong></td>
<td><strong>35% 830</strong></td>
</tr>
<tr>
<td>DPIII Target (1975-80)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Wage Workers:</strong></td>
<td><strong>708</strong></td>
<td><strong>1651</strong></td>
<td><strong>943</strong></td>
</tr>
<tr>
<td>DPIII Target (1975-80)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em><em>TOTAL Wage and Salaried</em> Workers:</em>*</td>
<td><strong>1773</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPIII TARGET (1975-80)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Wage workers are paid an hourly rate. Salaried workers are paid according to a pre-determined (weekly, monthly or yearly) figure.

Although no figures are available for new employment opportunities in the private sector, the Mid-Term Review notes that increased opportunities are expected once the manufacturing sector begins to expand. By 1980, with the opening of the industrial estate, personal estimates identified approximately 70 jobs amongst seven industries located there had been made available.)
2.6. **Problems of DP III Based on Interviews**

Major criticisms about Tonga's Third Five Year Development Plan were directed toward three specific areas: development policy, development strategy and project implementation.

**DP III Policy:** A number of persons interviewed during field research (see Appendix B) complained that DPIII policies lacked direction, cohesiveness, and relevance of development objectives in regards to both the Kingdom's present needs and its available resources. Some regarded DPIII as a patchwork policy that verged on crisis management. This was because its focus largely revolved around short rather than long-terms solutions. Claims were also made that the government appeared more concerned with "get rich quick schemes" (that were either impractical or inappropriate) vis-a-vis genuine development. Examples included potential projects that ran the gamut from establishing a deer farm on the island of Eua, a German financed hotel-casino complex in a small seaside village on Tongatapu, a government request for several million dollars of aid to purchase sophisticated dredging equipment to the (abortive) attempt by an American financier to set up a merchant banking system (see Appendices E and F). Though not totally unfounded, much of this criticism was based more on heresay and anticipation of future trouble than actual phenomena and was exacerbated not only by a growing national debt and various socio-cultural impacts but by two other factors as well. The first involved the transition the Kingdom has undergone since Queen Salote's...
death. Prior to this, development was in but the infant stages. Foreign aid had made few substantial contributions to the economy, the level of imports had not risen dramatically, overseas migration was minimal and marked socio-economic impacts were barely noticeable. During the last fifteen years, however, foreign aid and involvement, exposure to western goods, technologies and life-styles, and some profound changes in the traditional cultural system have increased. A number of ambitious development projects were undertaken (and some completed) and these, coupled with other factors, have wrought many changes. As with any period of change, it is a period of uncertainty and confusion.

The second factor involves DP III itself and the lack of vision and cogent, decisive national goals. The Tongan Council of Churches in their 1980 report on Rural Development in Tonga reported:

"The government itself does not appear to have had clearly defined goals in development. What kind of development Tonga needs and how that form of development should be gone about has not always been clear" (1980:14).

Although DP III makes a commitment to "bettering the quality of life" for the Tongan people, many wonder what that actually means and if, in fact, the strategies proposed by the government will do this.

Tourism offers a good example of this. The government committed itself to tourism development as a possible avenue in which to generate revenue and increase employment opportunities. However, the plausibility of this was questioned for several reasons: the worldwide recession severely hampering the tourist industry indicated a dependency of tourism on the cyclical fluctuations in the world economy and thus, the potentially
unsettling effects that these demand swings could have on developing nations such as Tonga; the import content of tourism is high, thereby potentially offering few substantial benefits to the host country (as most hoteliers import food, top and middle-management personnel and construction materials); finally, tourism could undercut the strong sense of cultural integrity in which many Tongans take pride.

Misunderstandings concerning the government's policy on tourism were aggravated by a tendency to encourage one type of tourism yet simultaneously court an entirely different one. In this case, although the government emphasized the development of small-scale hotels and boarding houses that would operate in a highly-personalized "fake Tonga" manner, in reality there was much talk about leasing land to wealthy foreigners for large-scale hotels. In short, the intent on the part of government policy-makers to consider all options caused confusion.

DPIII Strategy: This leads us to a second criticism of DPIII regarding its "seriousness." Many critics wonder if the plan reflects the true intentions of the government or if it is simply a set of projects created to take better advantage of foreign aid? Some claimed it was the latter and that the government, in conjunction with the Central Planning Board, only focused on instant returns and the whims of donor agencies.

In fact, the Central Planning Board became a convenient scapegoat concerning the deficiencies of the development process. As a coordinating agency, many claimed it was too efficient in its adeptness to secure funds for development projects. Such efficiency was, in part, responsible for
what many informants suggested as pervasive tendencies in present development planning procedures. These include:

1. "Keep options open": Rather than make a total commitment to either rural development or industrialization, DPIII made partial commitments to these areas as well as to tourism, economic infrastructure and foreign investment within the nation. However, many of the proposed projects were ones the Kingdom could not afford without large injections of foreign aid. It was the job of the Central Planning Board to target those areas most likely to receive overseas aid, many projects of which turned out to be either capital intensive or have high operating costs.16

2. "Aid an end in itself": A second problem was attitudinal, where aid, regardless of the positive or negative qualities it brought with it, was viewed as the consumate goal. Because of this, there was a disinclination to consider the future socio-economic impacts wrought by present development policies. Often, long-range planning was over-looked in favor of fund availability and short term benefits.

3. "Instant Returns": Although many development projects presently underway lack relevance in terms of agricultural production, they also represent an attractiveness to policy-makers because of their "get rich quick" potential. The promise of "instant returns" on short term investments was appealing, both politically and financially.

However, neither the Central Planning Board nor even the Tongan government are solely at fault concerning poor development strategy. Often, the pressure exerted from funding agencies to develop projects suitable to their own criteria can disrupt a nation's projected development plans.

Te'o Fairbaim, a noted Pacific economist states:

"The reason for the mixed results are manifold, but are generally attributable to aid being too unpredictable and fragmentary and rendered without any real sense of commitment or purpose on the part of the donor. More specifically, there has been a failure to pay proper regard to the development priorities of recipients; poor control and management exercised over aid projects; inadequate attention to follow-up work; failure to take adequate account of recurrent project costs; and problems over technical deficiencies and inexperienced expatriate advisors and local counterparts" (1977:33).

16 The Asia Development Bank won't consider projects costing less than one million dollars.
This indicates that imposed projects or unlimited choices in development strategies can sometimes lead to a lack of commitment, indecision, or even laziness on the part of aid recipients regarding project implementation and follow through.

**DPIII Project Implementation:** The final criticism revolves around project implementation. Two issues are involved. The first stems from poor plan design that led to project overload for government Ministries. Because the number of available staff is limited, the ability to keep up with implementing funded projects was severely hampered. Therefore, the planning process does not dovetail with project implementation. The hidden costs of aid, such as skills training, staff, materials, maintenance and up-keep were often overlooked in the scramble to secure funding. This resulted in incomplete projects or misappropriation of money and resources. One report concluded:

"Recently, there has been improvement in the planning process, but the implementation of projects has lagged behind plan targets. There have been instances in delays in initiation and execution of projects, mounting costs and manpower shortages in technical and specialized fields...Many of these deficiencies could be due to the innate weaknesses in the planning process. Several other difficulties seem to arise from inadequate attention paid in the planning process to administrative requirements of plan implementation" (Banerjee 1977:10).

Essentially, development was occurring in the Kingdom faster than manpower resources could comply.

The second issue concerning project implementation involved government intentions vis a vis government actions; that in reality, DPIII only addressed a few of the Kingdom's most pressing problems—expanding the production base and decentralizing services—but that other areas demanding
more immediate attention were either overlooked or neglected, including population control, land utilization, marketing,17 skills training and administrative improvement. The present preoccupation with infrastructure development was considered a response rather than a solution to Tonga's problems. Bollard (1974:201) contends that "Plans are likely to increase non-agricultural jobs, but not fast enough to keep pace with the growing labor supply." Critics worry that present development policies only encourage, rather than discourage, such trends.

The government's desire to diversify the production base and develop basic infrastructures are not unreasonable goals, particularly since the economy is still highly dependent on agricultural export revenues and thus, vulnerable to the vagaries of world markets. What is under attack are the types of industries the government is sanctioning in terms of real employment and wage benefits to the Tongan people. These include those industries soon to be established within the newly-created industrial estate: a knittery, a saddlery, a wire production company, a soccer ball sewing plant, a coconut button industry, a firm to produce electrical switch gear, a toilet paper manufacturing company and a tapa cloth card business. Of these, six will import raw materials, two are expressly for export purposes and two thirds are either owned, operated or managed by expatriates. Complaints about the estate included poor utilization of indigenous materials and, relative to the amount of money spent to build

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17 The Tongan Council of Churches study, Land and Migration, states that "Development of agricultural produce for commercial purposes have had a long, unsuccessful history because of problems with markets and transportation" (1975:80).
it, too few jobs were made available to Tongans. Also condemned was the government's tendency to put agricultural and fishery programs on "hold" while it attempted to up-grade or transform the country's technical and industrial sectors. To complicate matters, many of these projects were considered groundless, capital rather than labor intensive, inordinately dependent on foreign aid, resources and expertise, and of financial benefit to only a few, most of whom were not Tongans. But because funding was largely targeted to infrastructure development (i.e. new or better roads, wharves and electrical systems that could enhance industrial and agricultural development) the government was forced to rely heavily upon church, private voluntary organizations and local entrepreneurs to keep agricultural grass-roots operations afloat. Unfortunately, while the public sector was being swamped with too much aid and too many projects, the private sector, denied access to many external aid sources, was being economically short-shifted. No doubt, the future success of government-sponsored projects will be contingent on the productive capacities and investment capabilities of the private sector.

But there are several problems inherent in this: the lack of economic incentives and prestige associated with farm employment as well as

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18 The industrial estate cost upwards of $550,000. 66% of this was funded by the Asia Development Bank and 33% by the Tongan government. For the sake of comparison, the industrial estate used 10% of the 1980 Tongan government budget whereas 17% was devoted to the entire educational sector, including the payment of salaries, purchase of materials and operating and maintenance costs.

19 Of interest here is that the success rate of private sector projects in terms of generating income, motivating people and utilizing available resources is extraordinarily high, particularly in light of financial constraints. The Catholic Women's Village Development Group, the Vava'u Farmer's Vanilla Co-operative (partially financed by a small grant from The People's Foundations of the South Pacific) and the Langa Fonua Handicraft Society are ideal examples.

35 S. D. Ritterbush
population pressures and out-dated land tenure laws that deny easy access to land resources are dissuading large segments of the population, especially the youth, from investing their energy or time in agriculture. In all likelihood, the trend toward overseas working holidays further intensifies the present disinclination to farm. Bollard (1974:183) states that "Far from developing the agricultural sector, the returned migrant may try to build barriers to isolate himself from it." But the recent establishment of a Rural Development Institute, increased emphasis on agricultural training in the school system, a more equitable land tenure system and additional economic incentives could possibly enhance employment in this sector, but it is still too early to tell.

Another problem revolved around the administration's assumption that once the proper infrastructures and economic incentives were in place, Tongans would then readily invest their money in establishing businesses. This may be true for a minority of the population already knowledgeable in capitalist undertakings. However, for the majority of Tongan citizens, particularly those in rural areas who lack adequate English and business management skills, business venture development may not be so easy. One reason for this could be what Finney (1976:5-6) might term Tonga's "traditional anti-enterprise culture."20 Although a shrewd and highly adaptable peoples, Tongans are generally oriented toward a life of ascribed status, subsistence affluence and short-term planning. Savings and

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20 Based on a study of Melanesian and Polynesian cultures, Finney (1976:5-6) concluded that Polynesians, unlike most Melanesian societies, were not culturally pre-adapted toward entrepreneurship. This was because traditional Polynesian societies were ascriptive rather than achievement-oriented. Thus, status was conferred through blood and kinship affiliation rather than through economic activity.
investment are historically antithetical to the Tongan personality and Bollard (1974:107) claims that even today, the predominant attitude toward money is not one of earning money to make more money. Instead, money is used to impress others.

"Traditional items that appreciated with age as they acquired long associations, and that were less easily stolen, were better suited to being of value and wealth. Money by itself did not constitute wealth. Rather, this was done by the way it was spent to gain prestige" (Ibid.107).

Contextually, this could also include conspicuous consumption (feasting) and a "prestige" consciousness (stemming from the hierarchical status system) that often leads to obvious displays of wealth.

This is not to imply that Tongans lack vision for the consolidation of merchandising, production, standardization and investment. What it indicates is simply that many Tongans, particularly the more tradition-bound rural peoples, may not yet understand the full implication of money and its potential, lack necessary business or money management skills or be too culturally constrained by traditional obligations to pursue a more capitalistic (individualistic) path. Therefore, those who stand to benefit most from present development policies may be those who financially need it least - the noble, business and intellectual elite.

2.7. Summary of Present Development Trends

Assuming that DPIII is a serious attempt by the Tongan government to better the quality of life for its citizens, let us first summarize the present trends and impacts stemming from recent development policies and projects. By comparing these with the prevailing theories upon which modern development is based, we may be better equipped to judge the
direction in which the government is either purposefully or inadvertently leading the Kingdom.

A. There is a commitment to modernizing Tonga's traditional economic base using western concepts and technologies. This is not to infer that the government or people want a "western" life-style. On the contrary, most Tongans are proud of their nation and cultural heritage. What is desired is to enhance present life-styles via the utilization of western technology. What is not foreseen is that the two may be incompatible; that it may be impossible to have the technologies and not the highly-competitive, individualistic and egalitarian life-style that comes with them. As Goulet notes:

"The problem is not that technology is a villain or that "achievement" reward systems are bad, but that purveyors of these values have not been sufficiently critical of their impact on certain kinds of environments" (1975:85).

B. Both the institutional arrangements for dispensing aid and the internal administrative predisposition are biased in favor of large-scale, capital intensive projects on the level of most modern technologies. However, the Tongan government is committing itself to some development schemes (i.e. an international airport) of which the potential future operating costs may be difficult for the government to maintain.

C. Tonga is nearing the point of a depletion economy. Although this is aggravated by increasing imports due to present development demands (i.e. construction materials, transport vehicles, foodstuffs) this condition will not abate unless concentration on the development of more import substitution industries, a total commitment to revitalizing the agricultural sector, and an emphasis on developing new and stable
overseas markets increases. However, present trends indicate a growing dependency on the world market.

Despite many of the social ills related to the changes wrought by accelerated economic development, such as malnutrition amongst children, crime, alcoholism and divorce are on the rise. Concurrently, population and land pressures, education, expatriated relations, and lack of economic, social and political mobility within the Kingdom continue to encourage both rural to urban and overseas migration. This further contributes to the destabilization of Tonga's traditional social system and the cultural values inherent in it.

"Ours has been a small-scale, homogeneous and intimate society, and despite its many shortcomings, it is far less exploitative and far more humane than the large-scale, heterogeneous, non-kinship based Bourgeois societies which stress individualistic, impersonal and contractual relationships among human beings. We are trying to emulate the life-styles of those societies, but because the models are not appropriate for us since we do not have the resources to derive the real and substantial benefits from them, we are losing our social stability and our psychological balance" (Hau'ofa 1978:6).

Though sociocultural impacts are generally to be expected during the development process, it is questionable whether the Tongan government anticipated the extent of social disequilibrium now occurring.

Furthermore, the money accrued from overseas remittances may act as a disincentive for those Tongans who might otherwise be more committed to developing the Kingdom's economic and productive capacities. Instead, they either become complacent or else emigrate overseas, thus further crippling the Kingdom's ability to tap into a readily available network of skilled, local manpower. This manifests in continued
dependency on foreign expertise in both development planning and project implementation.

The Tongan government, in its quest to develop resources and raise standards of living is not following any "conceptualized" model of development. This means the government is not directing present development objectives toward a preferred future life-style, precisely because "one" preferred life-style does not exist. Rather, there appear to be an assortment of future visions, each originating from various sources, both public and private. Reasons for this apparent lack of cogent, corporate articulation on development goals could be attributed to factors ranging from a short-term future orientation and lack of a broad-based knowledge essential to effectively comprehending development issues to a sense of complacency or insecurity on the part of policy-makers.

Nor is the government purposefully responding to some of Tonga's more pressing problems (i.e. birth control) except in haphazard ways. Instead, many development strategies are aimed at generating aid regardless of genuine national need.

"The predicament of transitional societies, especially in the early stages of that transition, dramatizes their powerlessness. Basic institutions are under judgement and values which formerly guaranteed social cohesion now become problematic. Not surprisingly, therefore, strenuous efforts are made to imitate technologies, cultural forms and political structures of societies perceived as being less vulnerable" (Goulet 1975:56).

Some of these strategies, originating both from the Tongan government and donor nations and international agencies, lack contextual relevance in terms of geographic location, resource, manpower or cultural constraints.
CHAPTER 3. THE CONSTITUTIONAL MONARCHY AND DEVELOPMENT

What role does the political structure play regarding Tonga's present development trends? This includes the continued stability of that structure to direct and oversee development, the appropriateness of development plans vis à vis the economic and resource potential of the Kingdom, and the problems arising from the interaction between government and the emerging middle classes. More specifically, how does the present administrative structure affect development policy design and project implementation?

Secondly, is DPIII a true reflection of government intentions or, similar to Tupou I's Constitution, is it merely a document used to make Tonga "appear" both modern and knowledgeable in regards to bettering the quality of life for its citizens, thus enabling the Kingdom to garner aid that might otherwise have been denied them?

Assuming that DPIII is a serious attempt at simultaneously achieving a better standard of living for its people while also protecting the Kingdom's economic and political integrity, let us first examine Tonga's present political structure prior to determining the role the administration plays in affecting development strategy and implementation (see Appendix G).

3.1. *Tonga's Political Structure Today*

The Tongan political structure has changed little since its inception in 1875 when the Constitution laid down the foundation for the present parliamentary, administrative and legal systems. Those changes that have occurred have been, relatively speaking, minor ones. These include:
A. The number of Cabinet ministers in the Executive Branch has grown from two to ten, an expansion commensurate with the growth of government-related services. Members now include the Governors of Vava'u and Ha'apai and eight government Ministers (see chart below). Although all are still personally appointed by the King, there has been a gradual shift away from noble or foreign-born appointed ministers to those who are of non-noble, Tongan birth.\textsuperscript{21} As of summer, 1980, senior level government positions were held by the following:

<table>
<thead>
<tr>
<th>Title</th>
<th>Name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Minister</td>
<td>Tu'ipelehake</td>
<td>Prince\textsuperscript{22}</td>
</tr>
<tr>
<td>Deputy Prime Minister</td>
<td>Tu'ipelehake</td>
<td>Noble\textsuperscript{23}</td>
</tr>
<tr>
<td>Minister of Agriculture, Forestry and Fisheries</td>
<td>Tu'ipelehake</td>
<td>Prince</td>
</tr>
<tr>
<td>Minister of Education, Works and Civil Aviation</td>
<td>Kavaliku</td>
<td>Commoner</td>
</tr>
<tr>
<td>Minister of Finance</td>
<td>Tupounua</td>
<td>Commoner\textsuperscript{24}</td>
</tr>
<tr>
<td>Minister of Lands</td>
<td>Tu'ita</td>
<td>Noble</td>
</tr>
<tr>
<td>Minister of Foreign Affairs</td>
<td>Tupouta'a</td>
<td>Crown Prince</td>
</tr>
<tr>
<td>Minister of Health</td>
<td>Tapa</td>
<td>Commoner</td>
</tr>
<tr>
<td>Minister of Labor, Commerce, and Industry</td>
<td>Vaea</td>
<td>Noble</td>
</tr>
<tr>
<td>Minister of Police</td>
<td>Akau'ola</td>
<td>Commoner</td>
</tr>
<tr>
<td>Governor of Ha'apai</td>
<td>Ve'ehala</td>
<td>Noble\textsuperscript{25}</td>
</tr>
<tr>
<td>Governor of Vava'u</td>
<td>Ma'afu Tupou</td>
<td>Commoner</td>
</tr>
</tbody>
</table>

B. The Legislative Assembly, traditionally the government's "debating chamber", has undergone some minor alterations. One is that it is substantially smaller than the Parliament devised by Tupou I in 1875. Where previously there had been 40 elected representatives to Parliament,

\textsuperscript{21} Generally speaking, however, non-noble appointees are both well-educated and have also married into the noble class.
\textsuperscript{22} The Prime Minister is also appointed as the Minister of Agriculture.
\textsuperscript{23} The Minister of Lands also acts as the Deputy Prime Minister.
\textsuperscript{24} Tupounua was replaced by Cecil Cocker, another non-noble, in 1982.
\textsuperscript{25} The Honorable Ve'ehala, Governor of Ha'apai, was retired in 1984 and replaced by the Honorable Fakafonua, a noble and father-in-law to the King's niece.
20 each representing noble and people's concerns, there are now only
fourteen members. Of these, seven are elected by Tonga's thirty nobles and
seven are elected by the general public.26 Along with the ten appointed
representatives (eight Cabinet Ministers and two governors), Parliament now
has but twenty-four members total.

However, although the size and composition of the Legislative Assembly
has decreased, there still remains the same 50/50 split between elected
noble and people's representatives. Furthermore, even though the
concentration of nobles in the Executive Branch has diminished with the
increase of non-noble appointees, Parliament has not undergone any
significant decentralization of power. Nor have the concerns of the
(elected) noble's representatives dramatically altered, especially on land
issues.

Hence, in comparison to the late 1800's, political power is only
slowly shifting away from the traditional political brokers. Nevertheless,
political alignments cannot be clearly delineated. Most nobles who are
appointed representatives generally regard themselves as Cabinet members
first and nobles second. This becomes particularly obvious when Parliament
votes on land issues, where the noble's view ("Land is our personal right")
greatly conflicts with that of government-appointed and people's
representatives ("Land is to serve the people."). However, on other issues,
especially salary increases for Parliament members, elected representatives

26 Tongatapu has three (elected) nobles and three (elected) people's
representatives. Vava'u and Ha'apai elect two each respectively.
Although neither the Niaus or Eua presently have noble's or people's
representatives, there is discussion to establish one seat for a noble
and one for a people's representative in each place in 1984. This will
then effectively change the Legislative Assembly from 24 to 28 members.
generally ban together. In 1980, this caused split votes between the
government-appointed and the elected (noble's and people's representatives)
 factions. Cabinet members, wanting to keep costs and government spending
down (and who already receive generous salaries as government Ministers and
Governors), voted against salary increases. They lost.

Essentially, the Executive Branch of the government remains dominated
by persons whose ascriptive status lends greater potential to their
participation in directing Tonga's future. Many senior level government
positions are still filled by royalty and nobles, whether or not they are
educationally qualified for these positions. Furthermore, only nobles can
vote on any laws pertaining to the King, the Royal family and titles or
inheritances of the nobles.

Nor has power been diluted within each Ministry. Although several new
institutions have been created 27 and new supportive personnel have been
appointed during the last two decades, 28 the former rest under the
jurisdiction of the Ministries and in the latter, none can act without the
approval of their Minister.

3.2. Administrative Impacts on Development Policy, Planning and Implementation

A 1977 United Nations Economic Commission Report (UNECR) on
"Administrative Improvement in the Kingdom of Tonga" stated that, with
little exception, there was an absence of a true and complete

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27 The Central Planning Board, and the Establishments Office are two such
institutions.
28 Most Ministries have now appointed Superintendents, Directors,
Secretaries, Assistant Secretaries or Planning Officers. The status of
these appointees is either non-noble or foreign hire.
administration in the real sense of the word (Banerjee 1977:4) This is reminiscent of the Constitutional Monarchy erected by Tupou I that was not, in fact, a Constitutional Monarchy at all; similarly, the present administration armors itself with western bureaucratic titles but operates along distinctly Tongan lines.

For instance, although the government system is hierarchical, it lacks a pyramidal structure. Even though a lateral diffusion of power exists at subordinate levels, there is no intermediate administrative level capable of coping with action and program administration. In effect, the Tongan administration is "top heavy". Because it had originally been designed as a coordinating agent rather than as an agent of change, the UNECR report rendered it ineffective in coping with the variety of demands imposed by modern day development. Minimal delegation of authority crippled its capability, making it inefficient, inflexible and undynamic in regards to the requirements placed upon it. This meant that senior government officials become swamped with handling routine coordination problems, leaving them unable to turn their full attention to the more important and complicated kinds of policy issues concerning development (Ibid.5). Poor administrative delegation meant that many senior civil servants, busy with routine and minute administrative details, literally could not see "the forest from the trees." Because of this, the ability and time needed to create appropriate and relevant development policy was handicapped.

"It is easy for us to become so caught up in technical questions of structure that we fail to think more broadly of how "development" will help or hinder us from being the sort of society we prefer" (Dator 1974:7).
And because the government lacked an effective intermediate administrative level, the manpower necessary to implement already funded development projects was not available. Hence, bottlenecks occurred and many projects, even if completed, took twice as long to finish as had previously been anticipated.

The UNECR report also stated that, although attempts had been made to upgrade and reform administrative operations via the creation of a Planning Office, an Establishments Office and in the recruitment of university graduates, the lack of structural coordination, the poor pay scale below senior civil servant levels and certain administrative restrictions inhibited their performance. Thus, administrative inefficiency, ill-equipped in terms of organization, coordination and skilled manpower aggravated various problems in the development process.

On a less technical level, the composition of both the Executive Branch and Legislative Assembly comprised as it is of many noble-élites, posed its own politically peculiar set of problems. Because some members viewed their positions as honorific rather than as positions of responsibility, a genuine commitment toward directing Tonga's future in more economic and socially egalitarian ways was missing. Because their political status was often ascribed rather than achieved, some lacked those skills necessary in creating and overseeing development policy and projects. Benedict notes:

"Not only are there fewer roles in a small-scale society but because of the smallness of the total social field, these roles are played by relatively few individuals...The same individuals are brought into contact over and over again in various activities...decisions and choices of the individual are influenced by their relations in many contexts with other individuals...Impersonal standards of efficiency, performance and integrity are modified by the myriad relationships connecting the individuals concerned" (1967: 47-48).
Additionally, internal "fiefdom" struggles, coupled with manpower constraints, often produced conflicts of interest, thus lowering the government's overall contribution to Tongan society. Generally, this occurred when any project implied a loss of power within a particular Ministry. In this case, if a specific project threatened one Ministry's turf, it could be overruled in favor of one less threatening.

Several informants noted the different attitudes, perspectives and world views between the more "tradition bound" nobles and the educated commoners. The tendency to push for grandiose development projects that were politically attractive but in reality, held few returns for the people could have less to do with pressure from aid donors than with the noble-elites own predisposition toward prestige and the desire to appear "modern" to foreign contemporaries. Examples cited included the desire to construct fancy hotels and larger airports. Disinterest in agricultural production in DPIII was blamed on the noble's disinterest or poor comprehension of the "slow slog" of farm production. Instead, projects that promised instant returns were slated more worthwhile.

The often paternalistic manner of aid agencies enabled some senior civil servants to remain either uncommitted or disinterested in the quality or outcome of proposed projects. Others affected what one informant called a "beggar mentality", where projects were implemented to satisfy the criteria of donor nations and aid agencies rather than address or rectify existing national problems. Occasionally, criticism regarding specific projects was directed at the Central Planning Board or outside funding sources. Convenient scapegoats, these organizations deflected criticism from the original policy-makers and redirected attention away from more
pressing concerns, such as administrative reform or appropriate development strategies.

These informants also concluded that a variety of problems arose from the nobles' inability to share authority or consult in decision-making policy with those below them. Instead, directives were made after policy formation and were expected to be followed unquestioningly. But modern day development, better education and raised living standards are changing this as more Tongan citizens, with their own vested interests in the outcome, want to actively participate in designing Tonga's future.

In effect, the continued participation of the nobility in orchestrating Tonga's future is seen by many Tongan citizens as a "necessary evil". On the one hand, their inability or disinclination to delegate authority, share in decision-making or actively lobby for more equitable land tenure laws has hampered genuine economic development for the Kingdom, especially in regards to development of the agricultural sector. Concurrently, their desire to maintain specific Tongan political and economic traditions (such as land titles and the land tenure system) has also curtailed potential changes in the socio-economic framework that the Kingdom may not yet be prepared or equipped to contend with. For instance, because of the personal financial stake most nobles have in protecting their legal rights to control land distribution, it is doubtful whether Tonga's land tenure laws will be revised in the near future to facilitate the individual sale of large parcels of farmland. Presently, it is very difficult for most Tongans to obtain their legal 8.5 acres, much less for commercial farmers to secure farmland sufficient for large-scale commercial activities. But it is generally even more difficult for
foreigners or foreign groups (except for religious organizations) to not only obtain land, but further, to negotiate long term leases to any but a few acres of it. Hence, if a choice must be made between multiplying foreign or multinational interests and continued control by the noble elite, most citizens would probably opt for the latter. This is because the cultural sanctions and obligations still present in Tongan society supply effective mechanisms to prevent undue exploitation from fellow countrypersons, regardless of their rank or status.

The same can be said about the present administrative structure. Its very inefficiency, while hindering the realization of certain, possibly highly beneficial development projects, has also hindered the establishment of what could potentially be environmentally or socially damaging industries; has dampened the prospects or enthusiasms of less than scrupulous or committed overseas investors; and has allowed the Kingdom the time to witness and reflect upon the often costly (in socio-economic terms) development mistakes made by other Pacific Basin nations. This has occasionally led to the creation of contextually relevant and appropriate development strategies that more effectively protect both Tonga's limited resource base and the rights and future opportunities of its citizens. These include nature and wildlife habitats, environmental impact statements and feasibility studies prior to the construction of particular manufacturing industries, localized industrial development, "protection clauses" guaranteeing local shareholding with overseas investors, and the promotion of indigenous business development in the agricultural, fishery and agro-based business sectors. In brief, until the government becomes more than adequately staffed by persons who are both acutely knowledgeable
and cognizant of the often severe repercussions unchecked economic
development can incur, present administrative inefficiency might, in fact,
be a godsend.

However, the present inability on the part of government bureaucrats
to either delegate genuine responsibility or absorb any ideas beyond those
from specific sources reflects in the increasing ineffectiveness of the
administration to influence various local groups. Government subsidies in
agriculture have yet to pay off, in part perhaps, because farmers
subliminally sense an ambivalence and an inability on the part of the
government to plan effectively in terms of providing expertise and ready
markets for agricultural produce. Because of this lack of planning,
commercial farming is becoming far too expensive for most farmers to
seriously undertake. Furthermore, although the manifest national
ambivalence in regards to economic development could, in part, be a
reflection of the noble-elites' own attitudes and lack of genuine
commitment toward the development process, more than likely the problem
lays, as previously illustrated, with the lack of public participation, on
any but the most rudimentary level, in jointly designing Tonga's future.
4. CONCLUSION

4.1. A Comparative Analysis of Phases I, II, and III Impacts on Structural Reform and Development Trends

In Chapter I, we saw how the Tongan government, influenced in large part by Tonga's Monarchs and its' religious institutions, could be a powerful source to affect the nation's moral outlook and development trends. This is largely because the values of the nation were derived from its leaders. In Phases I and II of Tonga's modern history, structural changes in one system (economic, social or political) led to similar changes in the other two systems. Such change was either highly revolutionary as in Phase I or very conservative as in Phase II. For instance, during the era of Tupou I, significant changes were made in the political structure of the nation. Catalysts for these included increasing foreign activity in the Pacific Basin, the need to defend Tonga from foreign control, and Tupou I's desire to safeguard his power from rival chiefs. Although external pressures largely influenced these changes, all were aimed at re-ordering the internal traditional structures existing in the country. Modifying the political system almost immediately affected the traditional social and economic systems as well.

In Phase II, increasing foreign economic activity within the Kingdom induced a retreat back to social conservatism. Emphasis on the protection and maintainence of Tongan customs and life-styles encouraged both a profound loyalty to the existing political structure and increased participation in the traditional subsistence economy. Bollard notes:

"During Phase II, there were generally increasing opportunities for participation in the money sector. But for perhaps 40 to 50 years, participation actually decreased. Why? It was due to the other determinant:
a strong resurgence of traditionalist feeling. So Phase II was a transitional Phase marked at first by a clearly negative reaction (Tongans wanted more leisure time and in some cases actually less money income) and later, by changing views on the need for money" (Bollard 1974:73).

The keynote of Phase III appears to be economic change affected by increasing foreign economic influence both inside and outside of Tonga. This would include the "demonstration factor" or heightened exposure to foreign life-styles witnessed by emigrant Tongans. No doubt, Tupou IV's emphasis on accelerated economic development is a reaction to these pressures. Fortification of Tonga's position as a free, economically viable nation may safeguard the country from complete foreign economic domination.

Whether this policy is realistic will be discussed later. What concerns us here is that where one structural change precipitated changes in other sectors as illustrated by Phases I and II, this has yet to occur in Phase III. Although certain (unplanned) modifications are beginning to be made in the socio-economic system, such as the breakdown of traditional kinship patterns into both nucleated and single-head of household families, the present political system is remarkably similar to the one erected over one hundred years ago. But the new socio-economic mobility (derived from increased educational, financial and travel opportunities) that opened a Pandora's box of problems for the present administration is just beginning to reach the political sector. Recent complaints have ranged from the lack of land equity and genuine political mobility for non-elite classes to the delegation of responsibility and authority within the government Ministries themselves.
A report on Rural Development In Tonga, the Tongan Council of Churches stated:

Now many of the educated part of the population wish that privileges retained by the Nobles, especially those relating to the holding and distribution of vast estates of land, may be transferred to the Government and that the people may have a more equitable representation in Parliament (1980:7).

Dissatisfaction with the political system is also reflected by continuing out-migration of highly skilled and well-educated Tongans along with the landless and uneducated; a growing commitment to private sector over public sector involvement; and, as happened recently with both a Vava'u farmer's co-operative and a group of nurses on Tongatapu, a disregard for either government policy or government appeal.29 Although disenchantment with the present political structure, both in attitude and action, is increasing, significant structural changes do not yet appear to be forthcoming.

This is not to infer that changes in the political structure will never occur, although in the near future it is unlikely due to three factors. The first is the expected time lag between policy implementation and social, economic and political change. Tupou IV's policies have been in effect less than two decades, allowing little enough time for a thorough assessment of their impacts. Secondly, because present economic policies, unlike those in Phases I and II, are externally rather than internally-oriented, the political system may side-step the necessity of

29 Within the last few years, there have been two major demonstrations against the government. One involved a nurses strike (to fire a supervisor) and the other involved a Vava'u vanilla co-operative that chose to sell its crop to an American distributor rather than through the Tongan Commodities Board. (The former offered a much higher price.) However, that Tongans are allowed the freedom to publicly vent their grievances without fear of severe reprecussion is a judicious move on the part of Tupou IV.
undergoing a radical re-structuring, unless, of course, present options open to Tongan citizens such as emigration, local entrepreneurship or other socio-economic opportunities within the Kingdom are discontinued. This could undoubtably increase internal pressure to revamp the political system in ways that are fundamentally more egalitarian. Meanwhile, "stop gap" measures such as establishing new institutions within the Ministerial framework, who have a modicum of, though not ultimate, power may dissuade the overly-ambitious for the time being.

Finally, the Tongan people appear to have a "love/hate" relationship with their government structure and traditional leaders. Many are proud of their heritage and their political status but are also frustrated because it hampers their business and political mobility. Further, although much ambivalence surrounds the nobles and Crown Prince Tupouto'a, the Tongan people appear to have a genuine and abiding affection for the present Monarch and his brother, the Prime Minisiter (a popularity that is well-maintained via their very accessibility to all Tongans, commoners and nobles alike.)

Ultimately, it appears that prior to the time when definitive action was taken in terms of far-reaching reforms as in Phase I or conservative backlash as in Phase II, a "fermentation" period was undergone, where "everything was thrown into a pot to boil" without having any idea what the final essence would be. Not until the Kingdom, or the Monarchs, became unduly threatened, either by foreign or internal pressures, did they take an authoritative and decisive stand.

Tupou I, aware of the erosion of political autonomy in neighboring nations, as well as the increasing dissatisfaction of rival chiefs within
the Kingdom, became pressured to protect both the nation's and his own political status. In Phase II, threatened by increasing foreign influence and the hazards a monetized economy posed for a nation unable to provide financial support to its citizens, Queen Salote actively encouraged a retrenchment to traditional values and self-reliance. This "incubation" period developed within the Tongan people a strong sense of pride, identity and cultural values that has left them somewhat prepared to deal with the transitional rigors induced by present development policies.

Phase III has yet to reach the critical stage where the King and his government are pressured into making immediate and perhaps, radical political reforms. Instead, they seem intent upon securing as much foreign capital, expertise and technology as is required to keep the Tongan economy viable and competitive in the world market. Similar to Tupou I's Constitution, Tonga's Five Year Development Plans, though worded so as to be considered serious documents by potential foreign investors, may in reality be following a culturally distinctive strategy, the fundamental intention of which is to preserve Kingship and the relative independence of Tonga while also generating monies for specific "pet" projects.

But there are several dangers inherent in this, of which the King is undoubtably aware. An increasing foreign debt to other nations could lead to greater economic dependence and possibly political absorption, either as a peripheral or welfare state. This has occurred in several Pacific Basin Nations, including the United States' territories (Guam and American Samoa) and New Zealand protectorates (Niue, the Tokelau and Cook Islands). Also, unchecked national development policies could incur dissatisfaction, social
unrest and a growing resentment towards those in power. 30 Tupou IV has made available to Tongan citizens an unprecedented range of economic options. But prudent as this modernizing policy has been, the desire for increased economic and political participation, aggravated by returning overseas expatriates, may become so intense and widespread that future reforms made by the government may no longer be satisfactory.

"When conditions generate a mass demand for expansion of political and economic opportunities among growing numbers of better educated and economically more affluent people, mobility individual by individual into limited opportunity structures is no longer a sufficient policy of reform and some sort of institutional changes are required" (Marcus 1975:249).

Obviously, in order for the Monarchy to survive, additional reforms must be introduced into the present political system. This Tupou IV has supported, although so far, most changes have only been piecemeal, delaying actions that effectively keep ultimate power (especially on matters concerning land allocation) in the hands of the traditional elite. Marcus contends that historically, there has been a reluctance to tamper with the foundations of the political structure because the Monarchs fear that once such reform is underway, there may be no end to them, until they eventually overwhelm and terminate the monarchical structure (Ibid.251).

However, the need to make far-reaching structural changes in the political system has not yet arisen, in large part due to emigration and overseas remittances coupled with genuine affection and a strong sense of

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30 As an example of this, Bollard points to present policies that have made many Tongans familiar with money. "Not only is money easier to earn, but the thing it can do and the way Europeans use it has suddenly become clear...tourism is only just a beginning, and the growth is going to be outside the hands of government. Without regulation, this growth will be dangerous" (Bollard 1974:143).
trust and national pride toward the Monarchy. But Tupou IV, perhaps more than any of his ancestors, may find himself forced to initiate reform precisely because of his own liberalism in allowing other influential changes to filter into the Kingdom. Additional pressures such as the present activism of the Church in promoting "grass-roots" development and more egalitarian land policies may force the Monarch and his government into action before they are prepared to change. Or, if foreign aid is abruptly terminated or overseas emigration quotas radically decreased, a new set of "rival chiefs" may demand genuine and substantial political reforms. Such reforms could include the creation of political parties, an increase in political influence in Parliament, the re-adjustment of parliamentary participation or, more radically, the abolition of the formal legal elements of the noble system (Ibid.251).

Meanwhile, the noble-elites represent a very real "barometer" for the King in terms of monitoring public opinion. Public attitude toward the nobles and present aspirations of Tongan citizens enables Tupou IV the leverage of knowing what, and how far new reforms should be taken. Presently, although a measure of disquiet hovers in the background, there seems no real need for major political reform; at least, the times do not appear critical enough to warrant this. Tupou IV and his government Ministers continue to concern themselves with Tonga's economic problems, the tactic being that by establishing a more stable and dynamic economic base, the pressure to dramatically alter the present political structure may be diffused. If the time comes when choices must be made, adaptability
and a receptiveness to change may be key assets in safeguarding the
Monarchical structure. And hopefully, the proper mechanisms will be in
place to make the outcome a peaceful one, especially for whomever is to be
excluded from the political equation.

4.2. Comparison of Present Development Trends with Future Scenarios

Turning to recent development trends in the Kingdom, it becomes
obvious that an Isolation strategy is unrealistic. Under the aggressive
tutelage of Tupou IV, and the continuing exodus of Tongans overseas, the
Monarch would be hard put to prevent modernization as his Mother, Queen
Salote, did. But back then, the Kingdom and its citizens could be more
easily isolated from the influences of the world culture and its different
political, social and economic systems (Marcus 1974:248). Today, the
growing desire for cash and thus, increased purchasing power, the
inaccessibility of farm land, and increased exposure to labor-saving
technologies and material goods detract from a subsistence life-style.

Regarding other future scenarios, it is probably still too early
to tell in which direction the nation is moving, although it would be
safe to conclude that Absorption is not the desired path the King and his
government would chose to lead his people. Instead, following in Tupou I's
footsteps, I think the present government is intent upon developing the
country into a more economically vital, while still politically
independent, mini-state in the world community. In order to do this,
a somewhat determined and vigorous attempt to reform many of Tonga's
traditional structures and upgrade existing productive capacities must
occur.
For the time being, I would like to suggest that Tupou IV has not yet fully committed himself to any single development scenario (this is supposing that at least one of them is suitable given the variables involved.) Instead, much of the confusion over Tonga's development goals is a direct result from the Monarch and accordingly, his Ministers' desires to "keep options open." This offers them the luxury of biding for time; of playing off commitments to both Tonga and foreign nations, thus enabling them the opportunity to try a variety of development maneuvers that might hopefully culminate in Tonga's becoming an economically stable twentieth century mini-state.

Marcus (1980:14-15) has offered the opinion that the monarch is seeking "one large investor to subsidize Tongan development." Since the outset of his reign, Tupou IV has done this, sometimes to the ridicule of others, but occasionally to the surprising benefit of the Kingdom.

Several negotiations, particularly with Japanese and German businessmen, have led to long term friendships, business investments, gifts of aid, or equipment. Where some negotiations have resulted in suspect deals and losses for the Kingdom, others have given the King additional leverage in aid requests. The courting of the Russians, whether intended or not, attracted concern and notice from New Zealand, Australia, the United Kingdom and the United States.

Another maneuver is to diversify the productive capacities and widen the industrial base of the Kingdom. This could then replace the diffuse dependency and economically stagnant conditions characteristic of most

31 Over the years, the King has negotiated with government and private parties from the U.S., N.Z., Japan, Australia, India, Germany, Saudi Arabia, Russia, Libya and China.
32 See Appendices E,F,G,H.
Peripheral states (Ibid.15). Previously, tourism development was once touted as Tonga's salvation from economic impoverishment and underemployment. Through the years, a variety of other, perhaps less realistic "schemes" have been considered and sometimes pursued: Tonga as a duty-free port, a tax shelter, a Pacific Monte Carlo. More recently, administrative emphasis has been placed on manufacturing and export industries. But lacking any "high demand" mineral resources and faced with constant, unpredictable marketing and production conditions, the government now appears intent on creating a more diversified economic base.

Meanwhile, until the government strikes it rich, projects in the agricultural sector are kept afloat to buoy the balance of trade and keep the Tongan peoples fed and occupied. Subsistence activities, kinship networks and overseas remittances (which are steadily increasing) are not discouraged since they ensure that the social welfare of the Tongan people will be provided for whilst the government continues to look for Tonga's lucky break. Unfortunately, the impacts resulting from developmental changes introduced over the past few decades is adversely affecting the former two at a time when the Tongan government is financially unable to act as a benefactor.

Finally, who is benefiting from recent development projects? In the short-term, it would appear that all segments of the population, to a greater or lesser degree, are although the bulk of benefits accrued are in non-economic terms. This would include the upgrading of basic infra-structures which should provide better health, education, transportation and communication facilities for everyone.
Financially, foreign nations are advantaged in terms of new export markets for their goods, technologies and as additional employment outlets for their people. With development projects and tourism on the upswing, many noble-elites and established entrepreneurs stand to benefit in terms of higher salaries, house rentals, business contacts and fringe benefits. Concurrently, those segments of the Tongan population whose livelihood in terms of either cash or subsistence activities is negligible could be more adversely affected by rising food costs, material goods and land leases. This includes the undereducated Tongan who is unable to procure farmland; the single mother whose husband works overseas; the elderly whose children have migrated elsewhere.

In the long-term, a more sophisticated infra-structure might lay a foundation for development that potentially could raise the standard of living and transform the Kingdom into an economically thriving country. But this is highly dependent on an even-handed development approach that would keep the primary sector, agriculture, productive while the industrial sector is developed. At present, this is not successfully happening, at least through administrative initiatives. A last hope is if the government could either pioneer a unique product or exploit even a small opening for a highly specific service that others have missed (Dommen 1980:8). These could include activities that take advantage of Tonga's insular remoteness and geographic isolation such as off-shore quarantine establishments, export of pathogen-free crops or livestock or unique primary products, biological conservation stations, research centers, marine resources or tourism (Ibid.8).
In brief, if Synthesis is desired, efforts to achieve this must become better coordinated, both in terms of production and marketing as well as in the realignment of various private sector groups (especially the Church). This could then establish a more concise development framework akin to the public sector's ideal. Conversely, to achieve Integration, Tonga must develop into one of the world's leading tourist meccas, market a rare-type coconut shell or find a wealthy backer willing to use the Kingdom as a yearly tax write-off.

If present policies continue, however, Absorption into the international economic community may be unavoidable. Increasing foreign debts, a growing trade imbalance, a dependency on overseas remittances to keep its balance of payments healthy, the tendency to opt for capital intensive projects at the expense of grass-roots development and pervasive administrative indifferences toward establishing industries based on indigenous resources indicate a more external rather than internal development focus.
APPENDIX A

The KINGDOM of TONGA

INSET MAP OF SEA FLOOR

This map shows the islands of Tonga and the shape of the seafloor surrounding them. It clearly shows the NNE—SSW direction of the Tofua Ridge (volcanoes), the Tofua Trough, the Tonga Ridge (coral islands), and the Tonga Trench. The isobaths (contours below sea-level) are 250 metres apart.

The depths are measured in two ways. The dots are "spot soundings", the old method of measuring a weighted line dropped to the ocean floor. The fine straight lines show the route of a survey ship with "echo sounding" equipment, which graphs and measures the time sound waves take to echo back from the ocean floor.

Minerva Reef
Proclaimed as part of Tonga by King Taufa'ahau Tupou IV
June 1972

0°W 179°W 178° 177° 176° 175° 174° 173°W

Scale = 1 : 4,000,000

Kilometres

NOTE: King George Tupou I in the Royal Proclamation of August 24, 1887 defined the boundaries of the Kingdom of Tonga as follows—

Northern boundary 15°00' South Parallel
Southern 27°30' North
Eastern 170°00' West Meridian
Western 175°00'
Appendix B: Persons interviewed for this study

I would like to thank the following people for the information and insights shared with me during the researching of this paper:

**Tongan Government**

<table>
<thead>
<tr>
<th>Honorable Langi Kavaliku</th>
<th>Ministry of Education, Works, and Civil Aviation</th>
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<tr>
<td>Dr. 'Eneli Hau'ofa</td>
<td>Palace Office</td>
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<td>Mr. Siale Matoto</td>
<td>Ministry of Finance</td>
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<td>Ms. Tina Fiefia</td>
<td>Ministry of Labor, Commerce and Industry</td>
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<tr>
<td>Mr. Highram Ching</td>
<td>Department of Education</td>
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<td>Mr. Na'a Fiefia</td>
<td>Department of Works</td>
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<td>Mr. Ernie Nicholson</td>
<td>Ministry of Agriculture</td>
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<td>Ms. Elima Amanaki</td>
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<tr>
<td>Dr. George Moenongongo</td>
<td>Fisheries Department</td>
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<td>Mr. Cliff Ratcliff</td>
<td>Tonga Central Planning Board</td>
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<td>Mr. Cecil Cocker</td>
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<td>Mr. Kevin Kane</td>
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<td>Mr. Paula Lavulo</td>
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<td>Mr. John Larcomb</td>
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<td>Mr. Richard Greenslade</td>
<td>Cooperatives Department</td>
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<td>Mr. John Duncan</td>
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<td>Mr. Langilangi Amanaki</td>
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<td>Mr. Tom Hubbard</td>
<td>Lands and Surveys Office</td>
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<tr>
<td>Mr. Sione Osamu</td>
<td>Chief Clerk, Tongan Government</td>
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<tr>
<td>Mr. Russel Marriot</td>
<td>Tonga Visitor's Bureau</td>
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<td>Mr. Tavake Fusimalohi</td>
<td>Tonga Broadcasting</td>
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<td>Ms. Luciana Vaea</td>
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<th>Honorable Rodney Gates</th>
<th>Regional and International</th>
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<td>Dr. Gabriel Gris</td>
<td>N. Z. High Commission, Tonga</td>
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<tr>
<td>Mr. Steven Vete</td>
<td>South Pacific Bureau for Economic Cooperation</td>
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<td>Mr. Robert Craig</td>
<td>USAID, Pacific Region</td>
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<td>Mr. Lloyd Belz</td>
<td>World Health Organization</td>
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<td>Dr. Robert Wainwright</td>
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<td>Mr. David Carey</td>
<td>U.S. Peace Corps</td>
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<tr>
<td>Mr. David Wyler</td>
<td>Foundations for the Peoples of the South Pacific, Tonga Branch</td>
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<td>Anthropology Department, Rice University, Texas, U.S.</td>
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<td>Dr. George Marcus</td>
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<tr>
<td>Dr. Steven Levine</td>
<td>Political Science Department, Victoria Univeristy, Wellington,</td>
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64 S. D. Ritterbush
FOREWORD

Tonga is a small country and problems of population increase and land shortage are beginning to emerge. Its economy is depressed, mainly on account of hurricane damage to the coconut industry in 1961 and 1963, and budgetary difficulties and balance of payments problems have occurred as a result.

This is the country's first development plan. It is unpretentious and provides for little more than the really urgent economic and social needs of Tonga. The proportion of resources allocated to administrative services is unavoidable; many of the Government's administrative buildings are more than half a century old and can no longer be economically maintained, apart from being inadequate to present needs, while some administrative services, especially the Police, are ill equipped for present day conditions.

The central objective of the Plan is to stimulate economic production through the systematic rehabilitation of the coconut industry and the reorganisation and modernisation of the agricultural services. At the same time, emphasis will be placed on expanding and improving social services in harmony with population growth.

The introduction of this Plan has been made possible largely by the grant of British Government aid, although it is the Tonga Government's intention that a large proportion of the cost should be found locally. Even so, it is not possible to provide for all necessary development at this stage and projects for which finance is not yet in sight have been listed in Part II of the Plan. The Government hopes that it may be possible to attract additional external aid during the period of the Plan to enable it to do more.

TU'IPELEHAKE,
Premier.
Development Plan 1970 - 75

General Objectives

3.1 The principal objective of the 1970–75 Development Plan is to develop the economic potential of the Kingdom so as to raise the standard of living of its fast growing population and to reduce its dependence on external economic assistance. In line with this objective, a large part of total development expenditure is directed towards the expansion and improvement of economic capacity.

3.2 In addition, considerable emphasis is being placed on improving communication and transport between the various islands, both to counteract the excessive and growing primacy of Tongatapu and Nuku'alofa and to utilize more effectively the resources of the other islands.

3.3 Tonga’s economy is almost wholly agricultural and it is to the agricultural sector that the country must look for any appreciable economic growth during the plan period 1970–75. It is proposed, therefore to continue the rehabilitation of the coconut industry, to develop further the banana industry and to expand agricultural services with adequately trained staff so as to raise production and to permit diversification. Attention will also be devoted to developing the resources of the sea. These steps should make it possible to absorb a rising population, at a rising standard of living.

3.4 The Government does not believe that in the long-term Tonga can base its development solely on an expansion of agriculture. It intends therefore to diversify the economy to some extent by encouraging local and foreign interests to participate in the development of light industry. This will be achieved by creating a favourable investment climate. However, it is believed that in the immediate future the greatest potential for light industry lies in the processing of agricultural commodities and products harvested from the sea.

3.5 In the long-term, of all the sectors of the economy, Tourism is considered to offer the greatest potential to the Kingdom, both as an employer of labour and also as a source of foreign exchange. Government accepts that Tourism, if properly controlled, can make a positive contribution to the economy and intends to improve the basic facilities available to tourists; but apart from an extension to the existing International Dateline Hotel to be carried out under the present Plan, the provision of further hotels and other such amenities will be left to private enterprise.

3.6 The Tongan population has been increasing at an annual rate of 3.14 per cent over the past decade and the implications of such a rate of population growth in a country of limited land area and limited employment opportunities are considerable. The Government is therefore placing an increased emphasis upon family planning, with the intention of proving these services to at least half the female married population during the next five years.

3.7 In the field of social expenditure, emphasis will be placed upon Education, and more particularly upon the provision of training and educational opportunities appropriate to the manpower needs of the economy. Other social services such as Medical and Police will receive relatively less attention in this Plan since they occupied an important place in the first Plan, but they will be improved and expanded within the means available.
A Con Man, a King,
A Polynesian Eden
—And a Tangled Tale
How a Fugitive Who Duped
Howard Hughes Surfed
As the Savior of Tonga

NOV. 17, 1978

By Barry Newman

Staff Reporter of The Wall Street Journal

NUKUALOFA, Tonga—Are you yearning to see the largest and most impressive set of blowholes in the Pacific? Or the royal tombs of the Tupou Dynasty? Follow the tour of the desiccated condom factory at Haveluvu? Of course. You long to see them all.

Sad to say, you and millions of others are inconvenienced by the lack of direct flights to Tonga from Tokyo, New York and Hawaii (3,000 miles in the air). That is why King Taufa'ahau Tupou IV wants his semifeudal Polynesian Island domain to have a huge airport. Direct flights from Japan and America would then be possible. Untold thousands would see the blowholes.

His Majesty searched for 10 years, but somehow was unable to find enthusiastic backers for this project. Last year, his luck turned. Tonga was discovered by John Meier.

The Hughes Connection

A tall, urbane American, the 45-year-old Mr. Meier materialized with a magnificent vision for Tonga. He set the islands buzzing with talk of aircraft-assembly plants, pharmaceutical factories and shipbuilding companies. Tonga would launch its own satellite. It would build a 250-unit condominium complex and a 550-room luxury hotel. There would be an industrial park and a national airline. And the airfield on the main island of Tongatapu would be expanded into a top-class airport.

"Tonga is a great place to be," Mr. Meier told the Tonga Chronicle. "There are great possibilities here to set up numerous profitable business ventures."

News wends its way slowly to Tonga. It wasn't until early this year that a few of the 100,000 islanders came upon the fairly dazzling information that in the late 1960s John Meier had been instrumental in swindling his employer, Howard Hughes (the name is vaguely familiar here). Out of about $5 million. But by the time this revelation sank in, the Tongan government had already let Mr. Meier set up his "Bank of the South Pacific" and handed it a 90-year monopoly on merchant banking in the kingdom.

Just last spring, a federal judge in Utah told Mr. Meier to return millions he helped fitch from the Hughes empire by selling it a sheaf of nearly worthless mining claims. (Lawyers for Hughes, interested said they traced the money to a Swiss account.) In connection with that civil suit, Mr. Meier was also indicted on an obstruction-of-justice charge of having submitted forged documents to the court. The charge gave U.S. authorities what seemed like a prime opportunity to go after him.

Diplomatic Passport

Mr. Meier had been arrested in 1973 on a charge of evading taxes on the money he appropriated from Mr. Hughes. But he jumped bail and fled to Canada. The Canadians wouldn't extradite him on a tax-evasion charge, and last year they allowed him to become a citizen. The obstruction-of-justice indictment, however, exposed him to extradition again.

By the time this news had filtered down to Nukualofa, Mr. Meier had already shown up in person (he previously dealt through go-betweens) and persuaded the king to make him a roving Tongan emissary. He departed with a bundle of glossy brochures to sell "airport bonds" abroad, according to Tongans he left behind. To enhance his "credibility" (not to mention his immunity), Mr. Meier was afforded the passport of a Tongan diplomat.

He slipped through Fiji and New Zealand before the Americans could blink. But Australian police picked him up in Sydney on July 20. With a request for extradition from the U.S., they brought him before a magistrate. The King of Tonga's representative produced his diplomatic passport, and the magistrate let him go.

Mr. Meier then disappeared, leaving Australia and eluding his American pursuers in Asia. Two and a half months later he turned up in Vancouver, and on Oct. 10 the Canadians arrested him. They weren't quite so quick to believe Mr. Meier was a Tonga diplomat. He was freed on $50,000 bail, and an extradition hearing was set for Dec. 1.

Meanwhile, back in Tonga, the daze of grins has come into fashion. Not that many people here are ashamed of having been taken on a South Seas excursion by Mr. Meier; they consider themselves in good company. "If he did it to Howard Hughes he could do it to us," admits one official. "The world is full of stupid people."

It's just hard for some Tongans to be lieve that they wriggled out of this mess without having to overthrow their king and without losing a dime. (If anybody overseas has invested in Tonga's airport, he has ye to surface.)

Tonga's first mistake, as critics here now see it, was the appointment a few years ago of Bill Waterhouse as the country's honorary consul in Sydney. Mr. Waterhouse is said to be Australia's biggest bookmaker. What he does is legal, but, as one Tongan says, "if you have a bookee as your diplomatic representative isn't in the best of taste." It was Mr Waterhouse, through his Las Vegas contacts, who introduced Mr. Meier to the king with perhaps greater ardor than he knew, the honorary consul explained his motives to the magazine Pacific Island Monthly. "I can't see any sense," he said "in letting money go to Switzerland if we can do something with it in the South Pacific."

An ordinance creating the Bank of the South Pacific breezed through Tonga's privy council in June 1977. It said the bank could start business as soon as it raised $1 million in capital. The bank didn't have to prove it had the money. All it had to do was say so in writing. A few sensitive nostrils in Tonga picked up the scent of day-old clam.

(Nearly a year later, the Tonga Chronicle asked Mr. Meier about his backing. It was "private information," he said, but the king had been given all the details. The Chronicle asked the king, who said he "understood . . . that there was a Swiss bank involved as well as some Middle East money." His Majesty said that was all he knew.)

The Full Story

Nothing happened for six months. Mr. Meier, presumably, was in Canada busily raising money. But in February, the facts began washing up on the reef. Radio Tonga read over the air a few lurid para graphs about Mr. Meier from an article in a Vancouver newspaper. A local anthropologist, "Epeni Hau'ofa, heard the broadcast and was curious to see the rest of the article. It turned out to be a catalog of all the unseemly details of Mr. Meier's past.

"Why don't we grab Mr. Meier next time he comes to Tonga," Mr. Hau'ofa wrote in an angry letter to the Chronicle, "and hand him over to the FBI for half the money he owes the U.S.A.? Why not? We may as well start earning some honest money for..."
In its next issue, the Chronicle printed a full story on Mr. Meier's background. (This wasn't the sort of reporting you'd expect from a government-owned, 10-page weekly. Tonga's only newspaper, but the Chronicle had some help: The story was written by Richard Nathanson, its volunteer adviser from America's Peace Corps.) The government didn't rush to repudiate Mr. Meier after the disclosures, but he evidently came under some pressure to show the color of his money.

So when Mr. Meier, newly accused of obstruction of justice, arrived last May to pick up his diplomatic passport, he brought with him an American contractor named Jim Doyle who apparently laid out the money for four weary bulldozers from Fiji.

The king, Mr. Meier and Mr. Doyle went out to the airport site one day and held a ceremony. Mr. Meier announced that the project, plus an adjacent industrial park, would cost over $100 million.

The king snipped a ribbon and turned over a shovel of dirt. "This airport," he said, "will put Tonga at the crossroads of the Southwest and the Northeast." Mr. Doyle demonstrated one of his bulldozers. Pictures were taken, and Mr. Meier ordered lots of copies.

Hundred-Dollar Tips

Mr. Doyle began knocking down coconut trees, and for a few weeks Mr. Meier made his home at the International Dateline Hotel, handing out $100 tips to the headwaiter in the restaurant. He found time to give the Tonga Chronicle an interview, discussing on his belief (it has made him a darling of journalists elsewhere) that all the charges against him are "politically motivated" and that he is being hunted by the CIA because he knows too much about the agency's involvements with Howard Hughes and Richard Nixon.

"As far as Watergate is concerned," he said, "I know that all that people saw was the tip of the iceberg, and the real story never came out."

Soon thereafter, Mr. Meier made his exit, passport in hand. He left behind a number of peeved Tongan civil servants who hadn't been allowed near the airport project. And he was followed by an American diplomat who informed the king that Mr. Meier was indeed being actively hunted by several agencies other than the CIA, for deeds distinct from the Nixon downfall.

For Tongans, the time had clearly come for "disengagement." Tonga's parliament gracefully withdrew the bank ordinance on a technicality. Mr. Doyle stopped knocking down coconut trees, abandoned his equipment and flew away without paying his hotel bill. (The hotel now is renting out his bulldozers.) A government engineer who inspected the work site reports that "it had no particular relevance to the construction of an airport whatsoever."

What Did the King Know?

Rumors of Mr. Meier's whereabouts—South Africa, Costa Rica, Tokyo, Singapore—were the talk of Nuku'alofa. The rumors continued for weeks after Mr. Meier's Oct. 10 arrest, since that bit of news was characteristically tardy in getting here. The king took off on a trip of his own, still hoping to find backers for his airport. For some reason, he still hasn't revoked the diplomatic passport, leading some Tongans to wonder aloud how much the king knew about Mr. Meier, and when he knew it.

In Vancouver, Mr. Meier's lawyer told the press that a cloud of "international intrigue" surrounded his client. Mr. Meier seems to have given up on claiming diplomatic immunity, but the thinking among diplomats is that he has a fair chance of easing out of trouble again because of some fine points in the U.S.-Canadian extradition treaty.

Mr. Meier still insists he is being chased for political reasons and that he never hoodwinked Howard Hughes. But he isn't looking for vindication. As he told the Tonga Chronicle, "I don't think about it much anymore. I'm too busy doing other things."
HOWARD HUGHES’ SHADOW OVER TONGA’S NEW BANK

A London financial journalist has claimed that an erstwhile associate of the late American millionaire recluse, Howard Hughes, is the power behind the scenes in a new merchant bank which is planning to set up in Tonga.

The journalist, Richard Milner, writing in the Sunday Times of December 4, says further that the man, Mr John Meier, is living in Canada and that he is “still subject to US civil proceedings from Hughes Tool Co (now Summa Corporation) in the matter of mining properties acquired for $18m in 1968 and 1969”.

Milner adds: “To quote a source close to the action, they ‘turned out to be gravel pits’.”

Milner names the new bank as the Bank of the South Pacific. (King Taufa’ahau Tupou IV referred to it, without naming it, in his speech from the throne when opening the 1977 session of the Legislative Assembly — PIM, Aug 1977, p 64.)

The king, according to Milner, seeks improvements to Tonga’s infrastructure. Cable & Wireless is reported to be boosting telecommunications, and materials are being taken in to extend the airport, which is financed by a $A3 million grant from Australia.

These modern amenities are considered necessary to show the right type of front door to visitors — to allow them to get in simply and to be able to make overseas calls.

He adds: “Many will sympathise with King Taufa’ahau Tupou IV’s ambition to lead Tonga and its 160 islands into the 20th century. What does concern some outsiders, however, is that the new bank does not seem to have any banking expertise. Exploratory discussions with Swiss Banking Corporation, I understand, met with little response. And its remit does cover banking as well as [inter alia] starting a national airline and revamping the coconut industry.

“Indeed, the charter of Bank of the South Pacific (dated June 21, 1977) entitles Meier and his anonymous backers to do almost anything in the world’s latest offshore tax haven. BoSP has a 99-year monopoly of merchant banking in Tonga, is not subject to national legislation or currency controls and it can issue securities, give guarantees and lend money as it thinks fit. Quite a coup for the bank’s governor, John Meier of 360 English Bluff Road, Delta, British Columbia”.

People mentioned in Milner’s article, apart from Meier, are Mr W. (Bill) Waterhouse of Sydney, one of Australia’s biggest bookmakers and honorary consul for Tonga in Sydney, Mr David Smeaton, a Canadian stock promoter, and Mr Gordon A. Hazlewood, a Vancouver lawyer.

Although not yet established in Tonga in its own name, the BoSP already has five registered offshoots in the country. Mr Hazlewood is quoted by Milner as saying that plans include a 250-apartment condominium project budgeted at $25m, and a 550-bedroom luxury hotel costing even more as the nucleus of a tourist village.

Mr Hazlewood would not tell Milner much about the board, except that Meier was the governor and “the former Mrs Howard Hughes” was a co-director (public relations). He was referring to onetime child actress Terry Moore (of Son of Lassie fame) who did not in fact marry Hughes after her marriage to US football star, Glenn Davis, broke up in 1951.

“She is well respected in the Hollywood community which would be natural customer for the condominium,” M Hazlewood said.

Contacted by PIM in Sydney, Mr Waterhouse said his role in the matter was to introduce Mr Hazlewood to the king. He said he considered the area needed money, and that nothing but good could come from the bank.

“We have to attract money into the area which will help local business,” he said. “I can’t see any sense in letting money go to Switzerland if we can do something with it in the South Pacific. We need it for things like tourism and industry.”

Asked by PIM if he had put any money into the bank, Mr Waterhouse said: “No”.

King Taufa’ahau Tupou ... sympathy for his ambitions.
CHANGES AT THE TOP IN TONGA?

Major changes at top levels in the Tongan Government seem to be in the offing.

It is no secret that the Prime Minister, Prince Tu'ipelehake, has not been in good health for some time. He saw overseas specialists during 1977, and medical opinion is that he should retire as soon as possible. Prince Tu'ipelehake has been Prime Minister since 1966 when his brother, the present king, succeeded to the throne after the death of their mother, the late Queen Salote.

Interested people have been speculating as to who should succeed the prince should he retire. While the appointment of a successor is the sole prerogative of his Majesty King Tupou IV, most people believe that the Deputy Prime Minister, Hon Tuita, is the logical successor.

Apart from being Deputy Prime Minister, Hon Tuita has held the most difficult portfolio of Lands and Survey for several years. The consensus of opinion has it that no one else can handle this extremely tough portfolio (in a land-hungry nation such as Tonga) as well as Hon Tuita has done and is doing.

Most civil servants agree that one of his outstanding qualities, which separates him from other ministers, is being decisive in what he does — an important leadership prerequisite. He demands no less than the best of performance from those under his authority, and it is common knowledge in the kingdom that he is never late for work.

It has also been rumoured that 1978 will also see the Crown Prince, HRH Prince Tupouto'a, elevated to ministerial rank. Such a move will be welcomed by all as the Crown Prince is destined one and, of course, ascend the throne after his father.

But what portfolio he is likely to be given is as yet a matter for speculation. However, what a friend of mine, who is in the "inner circle", suggested makes good sense, namely, that he should be given the portfolios of Foreign Affairs and Agriculture. The Foreign Affairs portfolio is a logical one, for he is currently, and has been for a number of years, the Secretary for Foreign Affairs.

But why Agriculture? Well, according to my learned and informed friend, agriculture in Tonga has not made any progress at all, in real terms, over the past 10 years or so. And within the civil service there are few with the determination or "guts", and the necessary respect, to get things moving. The crown prince can do it. The other obvious choice would be Hon Tuita, though that may overload him.

A lot of resources have been injected into the Ministry of Agriculture over the past 10 years, but the results have been extremely disappointing. The Ministry urgently needs someone with initiative and planning ability, one who is prepared to stand up and fight, and at the same time be scared of possible political consequences. The road to agricultural progress in Tonga is certainly rough and tortuous, but is not impassable.

In spite of recent rumours, it is unlikely that Mahe Tupouniua, director of the South Pacific Bureau of Economic Co-operation (SPEC), will return to Tonga in early 1978. It is understood that when the kingdom went through a financial crisis a year ago, Hon Tupouniua was requested by the Government to return to the kingdom to resume his post as Minister of Finance, but he replied that he has to stay on and complete his current term, scheduled to expire in 1979. The Government of Tonga was far from pleased with the reply, seeing that he is with SPEC only on secondment from the Government. But one can understand his reluctance to leave SPEC as he is receiving, as director of SPEC, a salary (tax-free plus a number of allowances) that is more than three times what he would get as Minister of Finance in Tonga.

There has also been a strong rumour that the present secretary to government, Tanilea Tufui, will also be elevated to ministerial rank. A law graduate, Mr Tufui is tipped to become Minister of Justice. Currently, there is no such minister, but parliament has been pressing for some time for a minister to be appointed, and it is understood that cabinet also shares that view.

Should Mr Tufui be elevated to ministerial rank, who is there to succeed him? Apparently there are a number of Civil Servants who have their sights on the Secretary to Government job, and have been lobbying accordingly.

But most informed sources agree that Mr J. Riechelmann is the one most able and suited for the job — out of the three or four hopefuls vying for it Mr Riechelmann has now been Mr Tufui's deputy for a number of years, and has been acting secretary whenever Mr Tufui was away from the kingdom. Most agree that Mr Riechelmann has carried out that role more than capably.
APPENDIX H: Tongan Chronicle

June 6, 1980, Vol xvii, no. 2

His Majesty King Taufa'ahau Tupou IV today opened Tonga's Legislative Assembly for 1980, the 80th Parliamentary year.

His Majesty began the address from the Throne, welcoming the Speaker of the House, the Prime Minister and Ministers of the Crown, as well as The Representatives of the Sovereignty and the People. He also expressed gratitude at the well being of the members of the Diplomatic Corps who are representing their various governments in Tonga.

His Majesty, first of all, acknowledged and expressed gratitude at the many forms of aid received from the Governments of the United Kingdom, Germany, the United States, Australia, New Zealand, India, France, Japan, Indonesia, the Republic of China and many others who have referred to the assistance or are in the process of offering aid to Tonga.

His Majesty also acknowledged the assistance from the various agencies of the United Nations Organization as well as benefits presently derived from the association with the European Economic Community through the ACP-Lome Convention.

His Majesty told the House of the impending state visit to the Australian State of Queensland, beginning tomorrow, and said the state visit will last about two weeks.

His Majesty said the visit and the visit to Queensland is of importance to Tonga because it is one state in Australia where the form of agriculture is far of that practiced in the Kingdom. As such, Queensland visit will be regarded as an opportunity to visit various institutions and research centers of importance to a small nation.

His Majesty said this will also be a long way to manufacture locally as many goods as possible to narrow the trade deficit gap.

His Majesty said that oil drilling plans have not been completely abandoned.

Although, His Majesty said, he was not certain when the next programme will begin, it is still planned to bring offshore drilling equipment similar to that currently being used in Fiji.

Other points referred to by His Majesty in his address from the Throne, included the plans to go into partnership with a foreign agency to develop deep sea fishing.

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BIBLIOGRAPHY


