Sustainable Development and Population

Proceedings of the Fourth Pacific Islands Conference of Leaders

edited by
Sitiveni Halapua and Barbara Naudain

EAST-WEST CENTER
Pacific Islands Development Program (PIDP)
SUSTAINABLE DEVELOPMENT AND POPULATION
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AND POPULATION

Proceedings of the Fourth Pacific Islands
Conference of Leaders

June 24-26, 1993
Tahiti Nui, French Polynesia

edited by
Sitiveni Halapua
Barbara Naudain

Pacific Islands Development Program
East-West Center
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Honolulu, Haiwai‘i 96848
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PREFACE

The Fourth Pacific Islands Conference of Leaders was held in Tahiti, French Polynesia from June 24 to 26, 1993. President Gaston Flosse of French Polynesia served as Conference Chairman.

Like the First Pacific Islands Conference (1980), the Second Pacific Islands Conference (1985), and the Third Pacific Islands Conference (1990), the Fourth PIC provided a regional framework for island Leaders (1) to discuss and exchange views regarding their development goals, ideas, problems, and experiences; (2) to identify priority research and training areas in relation to national and international goals; and (3) to expand their dialogue leading to a better understanding among island Leaders and scholars, as well as between them and supporting governments, organizations, and agencies.

Each Pacific Islands Conference determines the relevant development issues around which PIDP organizes its research, dialogue, and training programs. The theme of the Fourth PIC—“Sustainable Development and Population”—reflected the national, regional, and worldwide concerns and interest in these areas.

The material contained in this proceedings provides a valuable record of this historic Conference. In particular, this book reflects the general direction of the future development effort of the Pacific islands region and the part that PIDP will play therein.

Sitiveni Halapua
Director
Pacific Islands Development Program
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<td>ACP</td>
<td>Africa-Caribbean-Pacific countries</td>
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<td>ADB</td>
<td>Asian Development Bank</td>
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<td>ADKC</td>
<td>Agence de Développement de la Culture Kanak</td>
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<td>AFTA</td>
<td>ASEAN Free Trade Agreement</td>
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<td>AIDAB</td>
<td>Australian International Development Assistance Bureau</td>
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<td>ANU</td>
<td>Australian National University</td>
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<td>ANZCERTA</td>
<td>Australia/New Zealand Closer Economic Relation and Trade Agreement</td>
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<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>CFTC</td>
<td>Commonwealth Fund for Technical Cooperation</td>
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<td>CNMI</td>
<td>Commonwealth of the Northern Marianas</td>
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<td>CRS</td>
<td>Congressional Research Service</td>
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<td>CSD</td>
<td>Commission on Sustainable Development</td>
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<td>EC</td>
<td>European Community</td>
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<td>EEC</td>
<td>European Economic Community</td>
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<td>EEZ</td>
<td>Exclusive Economic Zone</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ESCAP</td>
<td>Economic and Social Commission for Asia and the Pacific</td>
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<td>EWC</td>
<td>East-West Center</td>
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<td>Acronym</td>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
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<td>Inter-commune Equalization Fund</td>
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<td>FLNKS</td>
<td>Socialist Kanak National Liberation Front</td>
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<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>ICPD</td>
<td>International Conference on Population and Development</td>
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<td>ILO</td>
<td>International Labor Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>JCC</td>
<td>Joint Commercial Commission</td>
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<td>Joint Declaration of Co-operation</td>
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<td>Organization of Petroleum Exporting Countries</td>
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PIDP Pacific Islands Development Program
RPCR Rassemblement pour la Calédonie dans la République
SMSP South Pacific mining company
SOPAC South Pacific Applied Geoscience Commission
SPAFH South Pacific Alliance for Family Health
SPARTECA South Pacific Regional Trade and Economic Cooperation Agreement
SPC South Pacific Commission
SPNFZ South Pacific Nuclear Free Zone
SPOCC South Pacific Organisations Coordinating Committee
SPREP South Pacific Regional Environment Programme
TCDC Technical Cooperation among Developing Countries
TCSP Tourism Council of the South Pacific
UFP French University of the Pacific
UN United Nations
UNCED United Nations Conference on Environment and Development
UNDP United Nations Development Program
UNEP United Nations Environment Program
UNESCO United Nations Educational, Scientific, and Cultural Organization
UNFPA United Nations Population Fund
UNICEF United Nations Children's Fund
USIA United States Information Agency
USP University of the South Pacific
WATCH Women And Their Children's Health
WHO World Health Organization
OPENING SESSION

chaired by
The Honorable Gaston Flosse
President of French Polynesia
Chairman of the 4th Pacific Islands Conference of Leaders
ADDRESS*

The Honorable Gaston Flosse
President of French Polynesia
Chairman of the 4th Pacific Islands
Conference of Leaders

Mr. President of the Republic, heads of government, the Honorable Minister for the French Republic Overseas Departments and Territories, representatives of the states and territorial governments, members of the Conference, Mr. President of the East-West Center, the Under-Secretary General of the United Nations, ladies, and gentlemen.

Unfortunately, the Prime Minister of Malaysia, Dr. Mahathir Bin Mohamad, has informed us that he is unable to make the opening presentation to this Conference. However, he ensures the Conference of his support and confirms his country's openness to the exploration of contributions to the development of Pacific island countries.

I have the great honor to wish you, each of you, welcome to French Polynesia. Maeva and Malava! Welcome to all! May your journey among us reinforce once more the ties of the whole Pacific community.

It is the first time that we welcome the Pacific Islands Conference of Leaders within the PIDP framework, and I see a symbol in the fact that under this circumstance, our anthem, which was just approved by the Territorial Assembly, has been played for the first time today. After our seal, after our flag, our anthem comes to

* See Appendix III for the original French text.
complete the emblems of our autonomy. And I am proud that it is today with you, my friends of the Pacific.

Welcoming you here is a tremendous honor for us. And the decision taken by PIDP in January 1992 to propose this meeting is certainly a demonstration of Oceanic solidarity as measured by human, cultural, economic, and social factors.

Our huge ocean is perceived in different ways. Usually we guarantee it a great future. We predict even a dominant destiny for it. But we all here know that these predictions are far from what we experience in our daily life. Because the reality affirms that, unless we are extremely vigilant and review our ways of thinking, the future could well cross over the Pacific and in fact leave the area powerless.

For a long time, our region was a world of dreams, of literature, and even of somber projections. This history has not yet ended.

The great novelty of the last several decades is found in the desire and even in the need to consult with our neighbors and local organizations. To do so, knowledge and experience need to spread to the most remote borders so that life becomes better, more energetic, and starts to beat to the rhythm of the seasons. Our life's goal must be a permanent adjustment to perpetuate the fragile balance of our dispersed societies.

To better appreciate these facilitators—that is what we say about the East-West Center—they bring together, for our instruction, a great selection of research work. When read carefully, it provides interesting models.

What makes our task difficult is that the signs and the changes are often imperceptible or not clear. The surprises, the deceptions, and the mistakes are our share. It is the issue of the decision that is developed here. But what gives to our action, and to our combined actions, more of their real meaning, is the consciousness that a common approach will better show the possibilities of intervention, interaction, and correction. Thus, we have to choose. That is why our discussions will be so useful.
For example, our attitude toward demography is not very clear because of the nature of the phenomena itself. There could be two different accents. First, the accent is put on the danger of explosion and two contradictory consequences will arise: on the one side, a reflex where fear becomes social hostility; on the other side, a reflex of an inner reaction provoking increased population growth. Second, the accent is put on careful research for a continual equilibrium.

And this attitude includes two contradictory effects: on the one hand, a sociological and cultural dilution and, on the other hand, a behavior having an instability that makes it even more difficult to reach the desired balance.

These dilemmas imply the principal subjects of our discussions to come. It is a serious debate. It was introduced by well-written contributions. I did appreciate their preciseness. The debate has aspects that are not all pleasant. But sometimes the perspectives are not always compatible with difficult political commitments.

There are two subjects that I would like to introduce as Head of the French Polynesia government. The first one concerns the use of our overseas tourism offices. In the matter of tourism, my government is ready to welcome in three of our promotion agencies the Tourism Council of the South Pacific (TCSP). These three support points are Tokyo, Santiago, and Paris. If this offer is welcomed, the TCSP and Tahiti would examine together the terms of this arrangement. I propose to all Heads of government of island countries to put at their disposal the offices in the building of the French Polynesia delegation when they visit Paris.

The second subject concerns the industry of the black pearl. It is understood that a permanent agreement must ensure the quality of the product, that the economic repercussions have to be spread among the concerned population, that a range of concrete measures will be in effect to prevent unfair and fratricidal competition, and finally that only a concerted action will control the risks of price collapses.

My government is ready to help the Pacific island countries in this matter. We could realize on request, and under practical and
financial conditions, which have to be fixed, studies about stocks and biological appreciation feasibility. We could contribute to the training of the technical practitioner staff at the “Centre des Métiers de la Nacre et de la Perliculture” (Center of the mother of pearl handicraft and of the pearl culture) in Rangiroa. Finally, our partners could take advantage of 20 years of acquired reputation and experience in marketing, especially in group marketing.

Naturally there is a counterpart, and everyone will appreciate the impact of it. First, serious judicial guarantees should be taken against the unstructured sales. Second, the repercussions of this new and promising cooperation should benefit mostly the concerned populations. A way to materialize this last goal of new resources could be, for instance, the institution of a cooperative system, and my country knows well its functioning.

Recalling that I was Secretary of State in charge of the South Pacific under the government of Jacques Chirac from 1986 to 1988, I eagerly wish that France throughout its Pacific territories plays again a part in accordance with its tradition in the Pacific, the part of friendly cooperation with beneficial perceptible effects.

I will refer to the Prime Minister, Mr. Balladur, the need to establish the means of this cooperation. Mr. Dominique Perben, Minister for the Overseas Departments and Territories, is with us, and we thank him again for participating in our work. He just visited two of our neighbor countries, and it seems to be the first sign of this cooperation. We ask him to “sensitize” the government.

During the next three days, I will try to be neutral, as it should be and as suits a smooth running of our work. I am sure that I can count on your entire support in this new task for me. It is now with the insurance of your friendly help that, as soon as the Honorable Prime Minister of the Cook Islands tells me, we will start our work.

I thank the Chairman of the Conference and I thank you, Madam, ladies, gentlemen, dear friends, for your confidence. I declare now open the Fourth Pacific Islands Conference of Leaders.
ADDRESS*

The Honorable Dominique Perben
Minister for Overseas Departments and Territories
Paris, France

Honorable heads of state and government, honorable ministers, ladies and gentlemen, representatives of international and local organizations, Mr. President of the Polynesian territory government, dear friends, ladies, and gentlemen.

After a visit to the three French territories of New Caledonia, Wallis and Futuna, and French Polynesia, it is for me a great pleasure to participate at this Pacific Islands Conference of Leaders.

By my presence at this meeting, I would like to emphasize the importance France gives to the Pacific region; I hesitate to use the word region, the Pacific being so huge. I want also to reaffirm, after all the world confusion of these last years and the changes France has experienced during the last months, the importance of the Pacific in the foreign policy of my country.

Since the last Pacific Islands Conference of Leaders, the world scene has been completely changed by the end of the East-West confrontation. There was then the risk that Oceania, which was not a part of this rivalry in large proportion, would stop suddenly to be a stake and become of no interest for the main powers.

I notice, with pleasure, that it was not the case, that the attention and the efforts of the international community in favor of the

* See Appendix IV for the original French text.
islands' development did not weaken. France, on its side, considers the breakdown of the cold war an opportunity for a better contribution to solve the Pacific problems.

The Pacific, in this way, benefits from a fundamental advantage. Its habitants have stable and freely chosen institutions. They are guided by the spirit of consensus. It is one of the first conditions for peace, freedom, and consequently development.

France participates in Pacific development by being, indeed, the attorney of the Third World in the large international organizations. France participates also by its financing and the participation of its experts in the South Pacific Commission and in all local organizations, including the East-West Center and PIDP.

Thus each priority determined by the Pacific community is also its priority, because France's policy in the region consists of a triple engagement: the European one working for more than 35 years for development, the one of an industrialized nation with the strength of 56 million habitants, and finally the one of the French Pacific territories.

France works this way in many areas. I will mention some of them. It helps the young nations to strengthen their sovereignty, to better manage their resources by cooperating with them to improve the supervision of their exclusive economic areas. The cooperation that ties France like this to several countries is on its way to being formalized through the intermediary of the fisheries agency of the South Pacific.

In partnership with Australia and New Zealand and according to the declaration signed in Wellington last December, France brings its emergency relief to the island victims of natural disasters. Three times this year, it stood by the populations hit by the hurricanes in Fiji, Solomon Islands, and Vanuatu thanks to its presence in New Caledonia and Polynesia.

By its universities, and first the French University of the Pacific, by its research institutes, and by its cooperation programs, France offers the potential of education and research adjusted to the region's realities.
I personally will make sure that the French University of the Pacific, installed in Noumea and in Papeete, expands to the Pacific region. It was always understood that this region is one of its priorities.

France emphasizes a problem that does not have a precise or a national answer, environment protection. At the Rio summit, it worked for the adoption of a world convention on weather changes. It is also France that, with Australia, was at the origin of the Antarctic Convention signed in Madrid in 1991. This convention has declared the "White Continent" to be a natural preservation dedicated to science and peace.

It is again France that recommended the creation of a whale sanctuary in the Austral seas. Naturally, it takes part in an Oceanian program for the environment where it has obtained that the French territories benefit from a full and entire participation.

I did mention the European dimension of the French foreign policy in the Pacific. I would like now to insist on its most specific dimension, the one in connection with the French territories. The external action of France in this area is tightly connected to its presence in New Caledonia, in French Polynesia, as well as in Wallis and Futuna.

But this action could be determined not only in Paris by the government. It is also the result of a partnership with the French territorial collectivities represented here and with their Leaders. This Conference is a good example of this tight cooperation. So there is complementarity and solidarity between the global objectives of the government and those of the territories, and the integration of these territories in the Pacific region has to be even more intensified.

The development of local cooperation, coming from the French territories, is the major axis of the French policy in the South Pacific. Ties already exist; they are founded on a cultural community, on ancient solidarity, on support for common democratic ideals, and on the will power of the economic and social growth shared by all. These ties have to be reinforced. I notice that this
solidarity exists at the level of all states and territories of Oceania. It shows in the support given by all the countries participating in this Conference to the reconciliation process in New Caledonia.

Recalling the Matignon Accords, I would like to tell you, in conclusion of my speech, that my government wants to conduct an active policy in the Pacific, a policy, of course, under the French banner, but a French banner that will also carry the colors of the Pacific. I thank you.
Mr. Chairman, distinguished guests, ladies, and gentlemen.

Before beginning my remarks, let me join in the chorus of thanks to our hosts here in Tahiti. The hospitality that has been exhibited surpasses anything that I certainly have experienced, and I will long treasure and remember the warmth of the reception at your house yesterday evening, Mr. President, and your extraordinary presentation this morning.

Assembled here are presidents, prime ministers, and officials from nations throughout the Pacific Ocean. Gathered here too are representatives and observers from the public and private sector—all of whom have a very deep concern for the future of not only the Pacific island nations but also the Pacific Ocean itself. The delegates from the various countries represented here come from diverse nations indeed. Some are large islands and others are small. Some are mountainous and others are largely coral atolls. Some are fully independent while others have varying degrees of political autonomy. Some are endowed with considerable natural resources and others have a few natural resources. But yet all the nations represented here face a common set of challenges. How to protect and enrich your extraordinary cultural heritage. How to protect and defend your hard won independence or autonomy. How to develop your economies on a sustainable basis. How to adjust your political systems to take into account the enormous social and cultural and economic changes that are oc-
curring within each of your countries. I, as many from the outside, come here to offer whatever assistance you think might be advisable as you go about responding to these challenges.

As President of the East-West Center, I want to share with you why my organization and why I personally and why many others who are observers here today attach considerable importance to the peoples that you represent. First is the importance of your cultural heritage. We saw the richness of that cultural heritage in its music and dance earlier today, and we well know of the highly developed and sophisticated aesthetic sense of your people. But beyond that, it is my own personal view that in the world today it is important to preserve cultural diversity as much as it is biological diversity. Our entire humankind is facing a set of unprecedented challenges, and it seems to me that the responses to those challenges will have to draw upon solutions that each particular culture may be able to assist in devising.

Second, you preside over a very significant portion of the world’s surface, and that body of water and your islands have a substantial effect on the future of the entire planet. You also occupy a region of the world of great strategic importance astride the air and shipping lanes linking the Americas with Asia, Australia, and New Zealand. In short, an important portion of the world is in the hands of the people assembled in this room. As you devise your solutions to the challenges—economic, political, cultural, and strategic—it is important to note that the solutions you devise cannot be a response to the world of today. Your response must be to the world of tomorrow. We live in such a rapidly changing world that one thing is certain: any solution that you devise to your current problems will be outdated by the time that solution has begun to be implemented.

Thus the challenge is to begin to develop solutions to the problems that will certainly be confronting us not today but five and ten years hence and, at least as important, to develop solutions that will seize upon the opportunities and the new resources that will come into being during the coming five and ten years. I want to reflect with you about what it seems to me are some of the most important changes that are likely to affect this vast portion of the world. I do not mention these in order of importance.
The first will be the changing security environment in which you find yourself. And by security I give a very broad definition to security not just military but economic, environmental, and so on. After all if one thinks about the history of the Pacific island nations over the past 200 hundred years and more, to a very significant extent developments in this part of the world were heavily shaped by the larger security environment that you inhabit. As a reflection of that, gathered here today as well as the nations of the Pacific islands are representatives from the United States, Japan, France, Australia, New Zealand, Chile, and China. I am sure I have left some out of that list. These are the countries that play a very important role in shaping your security environment, but one cannot help but note the enormous changes that are occurring not just because of the end of the cold war but also because of the rapid rise of Asian countries and portions of Asian countries—Japan, Korea, mainland China, Taiwan, Hong Kong, Singapore, Thailand, Malaysia, Indonesia, and Australia. In the past decade the largest transfer of capital occurred in the history of mankind over such a short period of time. In one way of measuring it, 700 billion dollars passed from the western countries, Western Europe, and the United States to Asia. We know of the very rapid economic growth of the countries of Asia, and I cannot help but think that that fact in and of itself will have a tremendous consequence on the future of the Pacific islands as Asian nations become more directly involved and active here than they have been in the past. We have already seen that in the case of investments by Japan in a number of Pacific islands, by the increased vigor of fishermen from Asian countries fishing in these waters, and by the Asian interest in the development of your natural resources.

It is my educated guess that we have just seen the beginning of the activity of Asian nations in your region of the world. It is open to question whether or not that involvement will eventually include a greater military presence. There is no reason for thinking that at this time, but even that could eventually happen.

Another major development under way is the rapid spread of telecommunications throughout this region, an extraordinary development if one stops to think about it. Today 33 satellites hover above Asian skies and Pacific island skies, stretching from India
all the way to the coast of the United States. This telecommunica-
tions transformation, with it coming the computer transforma-
tion, literally is changing the way that we live. Furthermore, we
are continuing to live through a massive change in our transpor-
tation facilities. You may be reading about the next generation of
airplanes that is now beginning to be constructed—airplanes that
can handle from 600 to 800 passengers, and these airplanes will
probably begin to come on line sometime early in the next cen-
tury. This Conference is dedicated to an analysis of change in
population, the distribution of population, the average age of
population, birth rates, death rates, family size, and so on. The
population profile of your countries will be substantially different
ten years from today and different in almost predictable direc-
tions in at least some respects. But the trends are amenable to po-
litical influence. Each one of you around this table can have a
tremendous effect on the direction in which population profiles
move.

We know that we are in the midst of great change. Environmental
issues are changing as well and may be threatened by some of
them such as the possibility of global warming. The rate of tech-
nological change is accelerating. We are confronting changes in
the area of public health as the AIDS epidemic comes to this part
of the world, particularly to the major countries of Asia but to the
Pacific as well, with all that that implies.

The challenge is for you to think and for us to think together not
just about the problems you confront today but how you prepare
yourselves for confronting the problems of tomorrow. The East-
West Center is committed to join with you in a partnership to
consider the questions I have already raised and the many more
precise ones that you have in mind. The East-West Center was
established 30 years ago by the United States Congress to pro-
mote mutual understanding among the governments and peoples
of the Asia-Pacific region. In the course of our 30-year history I
believe that we have accomplished a great deal toward the at-
tainment of our objective, but there is much that remains to be
done. At the present time we consider our major areas of activity
in a very broad sense to be to promote long-term stability, to
promote sustainable development, and to promote the human
dignity of all peoples in the Asia-Pacific region stretching from South Asia to Tahiti, and from the United States to Japan and Siberia. That is the congressionally given mandate of our domain, where 60 percent of the world's population resides.

We have a number of research programs dedicated to understanding this region of the world. None of our research programs is more important than our Pacific Islands Development Program or PIDP. I can assure you personally of this fact as the President of this organization and also speaking for all the officers and particularly for the Board of Governors who hired me about 18 months ago with the view of strengthening our work in the Pacific islands. At the same time, however, we have a number of other research programs in demography and population first, environment second, energy third, culture fourth, journalism and communications fifth, and international economics and politics sixth. We have 60 to 80 researchers, and many of those researchers in other programs join with our Pacific Islands Development Program to do work on Pacific island issues.

For example, our environmental people have done work on some specific environmental issues of fragile island ecologies. Our population program has done some work occasionally on the Pacific. Our energy people and our minerals people have done some major studies in this part of the world. When I said that we have a partnership I want to elaborate on that. The East-West Center was established as a different kind of research center. It was established precisely with the notion in mind that we would cooperate with our partners. We do not believe that we know all the answers or even that we know all the right questions to be asked. In all that we do we seek to involve people from the locales where we are doing our research. And so to a very large extent we look to you, the Leaders of the Pacific island nations and the Standing Committee and the Chairman to help guide the Pacific Islands Development Program in the setting of its research agenda and in its plans for strengthening its work.

For example, one of the first items that I took on upon becoming President, with the approval and the support and initiative of the Board of Governors, was to launch an expanded effort at training and education for Pacific islanders. But we took a while to get that
launched precisely because we wanted to consult widely with you to see what you thought your needs were. Now that program has been launched; it is not yet at the speed and the extent to which we hoped but it has begun. Even more important is that in our research we look to you and particularly to the deliberations over the next day to help us decide what we will do research on. We can be no better in the final analysis than the quality of the ideas that you bring to the table for us. We are responsive, we try to be responsive, we do not perceive ourselves as a research operation that is dominated by the United States to serve American interests. We think that American interests will be served through extensive cooperation with you. We also offer a neutral meeting place with conference facilities so that if you ever think that you might wish to address some problem in a different environment away from your local situation we would be delighted to try to work with you in that area as well. Our work with you is training and research, research that is policy oriented and practical, and we offer our locale as a convenient neutral meeting place.

It is my very strong hope that the entity called into being through the signature last January—the creation of the Joint Commercial Commission (JCC)—will finally receive federal government funding. It will require the help of many in this room, indeed it has already required the help of many in this room, to enable this initiative to reach its full potential.

Let me conclude by making an observation, if I may, about this particular meeting. I am a student of international affairs and of Chinese politics. I would not pretend for a minute to be a specialist on the Pacific islands. I took my job in hopes that I would learn more about the Pacific islands but that is not my field of expertise; that is why I count on Steve Halapua, Sir Geoffrey, and all of you in this room to serve as my guide in learning about your condition. But I cannot help but observe that all of you are part of a historical process. Throughout the world we are seeing the growth of regional organizations. Some successful, some less successful: the Organization of American States, the Organization of African Unity, perhaps the European Economic Community (EEC), even more so the Association of Southeast Asian Nations (ASEAN), and the Asia-Pacific Economic Cooperation (APEC).
We see throughout the world independent nations such as yours recognizing that they cannot really deal successfully on their own with the agenda of issues confronting them. And so I am very struck as we meet here to see the extraordinary camaraderie, the sense of common purpose and common mission, the awareness of common destiny drawing all of you effectively together. I am very struck about this because I know how deep many of the divisions are among you. Culturally and politically you are not all the same, and yet you are being drawn in part by a shared cultural tradition.

I am drawn to two broad observations that, first, you all recognize that in your unity there is strength, and I am as an outside observer terribly pleased to see the extent to which you are acting effectively on that sense of unity. We at the East-West Center are prepared to assist to the extent that that is helpful to you. Furthermore, it is not just unity but your recognition that in diversity there is strength. You are not simply acting upon a common vision of the future, but each of you is determined to build upon your distinctive characteristics as well. And may you all continue in that same spirit of preserving your diversity in ways that are not divisive but rather contributory to the common purpose, and may you continue to build upon your regional cohesiveness so that you can stand tall in a world that is not necessarily increasingly stable but one that could easily be increasingly threatening to your interest.

With that I wish you God's speed in your deliberations, and I look forward as do all of my colleagues at the East-West Center to working with you in the months and years ahead. Thank you.
ADDRESS

The Honorable Sir Geoffrey A. Henry, KBE
Prime Minister of the Cook Islands
Chairman of the Standing Committee
of the Pacific Islands Conference of Leaders

Thank you. Mr. Chairman, my colleagues around the table, Presidents, Prime Ministers, Deputy Prime Minister, representatives of your government, Premier of Niue. Greetings to you all and to all other distinguished guests who are here with us today. Very special greetings to the Executive Director of the United Nations Population Fund (UNFPA). I am particularly glad, and I am sure my colleagues around the table share the view also, that your organization has seen fit to support a research program that this gathering has chosen to pursue. Greetings also to the heads of international and regional organizations who are with us and to everyone gathered here.

My job right now is to present a report on the activities of the Pacific Islands Conference, in particular, the activities of the Pacific Islands Development Program or PIDP over the last three years. My report has already been printed and distributed to the country members of this organization and included in the documentation that has been provided you. I do not intend to read all of it; I should like to simply highlight some of the points.

But before I do so there are two matters that I would like to bring forth. First, there is a letter to myself from His Excellency, The President of Chile, Patricio Aylwin Azocar. It is in Spanish so I am going to translate it as best I can. (See Appendix VI.)

His Excellency The President wishes to thank us for the invitation that was sent to his government to send an observer to this meet-
ing. He wishes us to know that he is in support of this organization and is particularly in support of our efforts to accelerate development in our individual territories. He wishes us to know that his government is in sympathy with our objectives as individual countries and as a region as a whole. In fact, that is established by the fact that during May 1993 his government hosted a workshop of Ministers of Agriculture from the Pacific on agro-industry matters.

He also wishes us to know that his country is looking toward the Pacific and wishes to participate in our developments. And he has asked us to accept as his country's observer, His Excellency The Ambassador Octavio Errazuriz.

The second is a letter from the Secretary of State of the United States, Warren Christopher. And I read, "Dear Sir Geoffrey and President Flosse, through you let me extend my personal greetings to the Fourth Pacific Islands Conference of Leaders. As a supporter of the East-West Center the United States is committed to the development of the island states of the Pacific and actively encourages organizations like your own as fora for expanded dialogue among countries of the region so that we may all learn from our common experiences. Your Conference occurs at a propitious time. Earlier this year, the island nations of the Pacific joined with the United States in establishing a Joint Commercial Commission to promote trade and investment throughout the region. On June 15, a new era began with extension of the South Pacific Fisheries Treaty, and most recently the U.S. joined with other nations of the South Pacific Commission in signing the South Pacific Regional Environmental Program Treaty. These agreements demonstrate in a concrete way the intention of the United States to remain vigorously engaged in the development of the area. The theme of your meeting "Sustainable Development and Population" is a subject that is of increasing importance to the United States government. Health and family planning, private sector development, and environment represent the three primary areas of U.S. assistance to the Pacific states. As your Conference theme indicates this focus is shared by the nations present at this meeting. I wish you a most successful Conference and hope that the ideas exchanged will promote new mechanisms that will
serve the region in the years ahead. Sincerely, Warren Christopher.”

Now for my report, it has been my great honor to serve as Chairman of the Standing Committee of the Pacific Islands Conference of Leaders since 1990. And in that capacity to present to you today a report on the work of the Pacific Islands Development Program since our last Conference held in Hawai‘i in that year. As my complete report has been distributed to all Leaders and may be read at your leisure, I would like at this time to simply highlight some of what I consider to be the main developments of the past three years.

May I preface my remarks, however, by observing that when the Pacific island Leaders gathered in Honolulu in 1980 for that historic First Pacific Islands Conference, they established an institution that is unique in the history of international relations. The East-West Center’s PIDP. Nowhere else to this very day is there a regular direct relationship between all the Leaders of a region with an academic institution such as what we have enjoyed for the last 13 years. A relationship that has allowed us to discuss face to face with learned scholars and researchers the pressing problems we are confronting in our own development efforts, exchange views with them, and guide their research and other activities in pursuit of solutions relevant to our own particular situations. Since that First Conference in 1980 PIDP has grown and matured into a valuable partner in development, and the last three years have been especially eventful.

Total PIDP revenues have risen from US$1.4 million in 1991 to about US$2.1 million by mid-1993. Thanks largely to increased grants from the United States government and the strong support for the program shown by the President of the East-West Center, our good friend, President Dr. Michel Oksenberg.

Generous contributions were also received from Australia, Japan, and New Zealand, for which we all owe a sincere debt of gratitude. Hawai‘i has also continued to contribute significantly to the success of the program and for that I am sure we are all similarly grateful. As a result of the increased contributions from non-Pacific island governments, the director, the research staff, and
the secretaries are all paid by the East-West Center, leaving country contributions available for projects and programs. In that regard, however, I regret to report that only four member governments of this Conference contributed financially toward PIDP in 1992. You will note that my report does not mention who of you did or did not make any contributions. I have no wish to embarrass anybody even though there are some people who tend to talk out of proportion to their financial contribution to this organization. With the consolidation of the program's financial position with the East-West Center, your Standing Committee feels that the time has come to move to the next stage, that is, seeking the right balance between the contributions of member governments of this Conference and those of the Center. Your Standing Committee therefore recommends that membership fees become mandatory and proposes the adoption of a fair formula, which is to be suggested, discussed, and decided upon during this Conference.

The past three years have seen the retirement of one of the founders of PIDP, Ratu Sir Kamisese Mara, the former Prime Minister of Fiji, as well as the resignation from the position of Secretary-General of the Conference, Dr. Langi Kavaliku of Tonga, the Deputy Prime Minister of that country. Their role in the development of PIDP will long be remembered by those close to the program and who know of the contribution that each has made over those years.

Since 1990 your Standing Committee together with the Secretariat has overseen considerable changes in the work program and activities of PIDP. The number of programs being implemented by the Secretariat was reduced so as not to spread our limited resources over many projects, which threatens effectiveness. Programs were prioritized and chosen on the basis of views expressed by the Leaders at the 1990 Conference and designed wherever possible to complement the work of other regional organizations. With this programmatic interdisciplinary and multidisciplinary approach, more flexible staff members were recruited and for a greater duration. This, your Committee felt, would upgrade the quality of the staff while providing greater continuity.

By 1992 six major research programs were under way, the origins coming from priorities set at the 1990 Pacific Islands Conference.
They were privatization and commercialization; small business development; country economic assessment; aid, trade, and international investment; industry analysis; and finally, macro-economic environment. Between 1991 and 1993 a total of 23 PIDP publications have been released ranging from one of 12 pages to a full length book. Taken together they total nearly 2,000 pages of carefully researched and written studies of critical economic issues all resulting from specific member country requests or reviewed in progress by members of your Standing Committee and all within the program themes.

One point in this regard requires emphasis, PIDP acts only on the request of member governments of this Conference. Every research project carried out has been in response to such a request. The past three years have also seen significant strides taken in the second of PIDP's major areas of activity, human resource development. Whereas in 1990 there was only about US$75,000 available to the East-West Center for graduate training, the Center has already allotted US$125,000 for wide range of training opportunities for Pacific islanders, and an additional US$400,000 can be so utilized in 1994. But again it is up to member governments of this Conference to propose candidates for such training. The resources available for training can well expand in future years depending initially on the response that our governments make to the opportunities available. This giant step forward in human resource development is due largely to the farsightedness of the East-West Center’s President Dr. Oksenberg, who took the time to sit with your Standing Committee, share his ideas, and discuss the real training needs of our region. By working together in close cooperation we have made a breakthrough that will be appreciated by generations of Pacific island students in the years to come.

The third area of PIDP activities in which I would like to report briefly is the Joint Commercial Commission, the JCC. Since it was first mooted by former United States President George Bush during his meeting with Pacific island nations in October 1990, your Standing Committee has been united in wanting to see all member governments of this Conference affiliated with the JCC. The Standing Committee worked hard toward this goal, so also the Forum. Apart from personal representations, letters have been written by myself as Chairman of the Standing Committee and on
behalf of Forum island countries to President Bush urging the United States government to accept our wishes. Alas, that has thus far proven unacceptable. Nevertheless, your Standing Committee has always seen the value of the JCC being affiliated with PIDP so that in future it might be possible for all member governments of this Conference to participate actively in the JCC rather than being limited to the 13 Forum island countries as indeed is the wish of the United States government. The JCC holds great promise of strengthening commercial and economic relations between the United States and our region, and the Standing Committee has continued to work to ensure that its benefits will be spread as widely as possible.

The Memorandum of Understanding establishing the JCC has been signed, and the first meeting is expected to be held later this year, possibly in October 1993. I hope to be able to say more about these developments later in this meeting.

The question is where do we go from here. I have raised the question of financial contributions to PIDP. I have also raised in my written report the possibility of concluding a Memorandum of Understanding between ourselves and the East-West Center. Those are a few of the issues that you may wish to consider during our deliberations. Over the next few days we will also identify areas in which we would like PIDP to concentrate over the next three years. That indeed is one of the primary functions of this Conference and will as usual be reflected in the resolutions adopted at our final session.

In any case, much work has been done on setting the program on an ever firmer foundation that is well placed to make an even greater contribution to the development of the Pacific islands in the years to come. Your Standing Committee is pleased to have played at least a small role in that process. I would be remiss should I conclude without mentioning the outstanding efforts of all PIDP staff over the past three years, especially those of the Director, Dr. Sitiveni Halapua of Tonga. He has made a signal contribution to the growth of the program and its increased effectiveness during the period in which he has served as Director. As Chairman of the Standing Committee I have had the honor of
working very closely with him on a regular basis over the past three years, and together with the President of the East-West Center, Dr. Oksenberg, it has been possible to discuss frankly and with the utmost of cordiality the well-being and future direction of PIDP as well as the place of PIDP within the East-West Center as a whole. I believe that definite progress has been made by our program over the past three years and I am honored to have been given the opportunity by this Conference to play a part in that development. I am grateful to you for the honor you have given me in that respect. Thank you.

DISCUSSION

PRESIDENT FLOSSE: I want to thank Sir Geoffrey Henry for the tremendous work he has accomplished during the three years as head of the PIDP Standing Committee. As we all know, he devoted a lot of his time, he dedicated himself without any restriction, he was always at our disposal, and he always had a desire to find a consensus between the Leaders, the research, the researchers, and also the financial means. And he has done it for the greatest good of our region in general and for each one of our countries in particular.

On behalf of all of us, I want to thank him especially for the work he realized on the occasion of the Joint Commercial Commission (JCC) formation between the United States and the islander countries. We can never congratulate him enough nor thank him enough for his persistent work to create the JCC, and we are happy to know that, starting next October, this organization will be officially open.

Let us join him to thank also the Director of PIDP and all the staff who devoted themselves so much all these years. Thank you all very much.
ADDRESS

Dr. Nafis Sadik
United Nations Under-Secretary General
Executive Director of UNFPA

Excellencies, distinguished representatives, colleagues, ladies, and gentlemen. It is a very real honor for me to be able to address you today on a subject that I think is extremely important to us all, "Sustainable Development and Population." I commend the planners of this Pacific Islands Conference of Leaders, Sir Geoffrey Henry and Dr. Sitiveni Halapua, for the foresight they have demonstrated by choosing such a theme. I look forward to discussing with you the options available to the Leaders and the peoples of this region.

It is clear that you have chosen this theme in the full understanding of the wider debate under way on this issue at the present time. Never before has the quest for truly sustainable development been so evident as it is today. The international community has just marked the first anniversary of the holding of the United Nations Conference on Sustainable Development in Rio de Janeiro, Brazil, in June 1992. Almost all of those represented here were present at the landmark event that underscored the critical need to achieve a balance between economic development and the environment, if sustainability is to be achieved.

The Rio conference and its major achievement, Agenda 21, were rather quiet about the place of population concerns in the context of sustainability. I am delighted to be able to confirm to you that this oversight on the part of the international community is in the process of being rectified. The population dimension of sustain-
able development is now receiving the attention it merits, and this Conference is clear evidence of that.

Attention by the international community to population issues is not a new phenomenon. In 1974 and 1984 many countries participated in international conferences under the United Nations leadership on population. Few of the countries present here were at those gatherings. In 1994 the international community is to meet once more to address population areas and concerns. As you know, the 1994 International Conference on Population and Development (ICPD) has as its overall theme Population, Sustained Economic Growth, and Sustainable Development. I would like to leave with you the very clear message that this gathering set for September 1994 in Cairo, Egypt, will be both an affirmation of previous international commitments on population and a marked departure from them. It will be the third international conference on population; it will also be the first to directly focus on the interrelationship between population and development. The Secretary-General of the United Nations, Mr. Boutros Boutros Ghali, has given me the responsibility and the leadership for the preparation of this conference by appointing the Executive Director of the United Nations Population Fund (UNFPA) as the Secretary-General.

A word here about the acronym and our title. We are the United Nations Population Fund, but we are known as UNFPA because our previous name was United Nations Fund for Population Activity, which got changed to the United Nations Population Fund, but we kept the acronym because we were quite well known around the world by that acronym.

Much work has already been done to make the Cairo conference in 1994 both relevant and a success. Much more, of course, lies ahead, and I want to use this opportunity to outline what I see as the main challenges and opportunities and the possible benefits of the conference. You will forgive me if I focus on the international conference because another paper by Dr. Margaret Chung will discuss demographic situations in this region.

There is a tendency on the part of many when dealing with population issues to look mainly at the large populations of many
countries and to pass over those with smaller overall numbers. In the area of population, as in many others, this is in our view a real mistake. Each of the countries represented here, regardless of whether its population is measured in thousands, tens, or hundreds of thousands, is keenly aware that the overall volume of numbers counts for less than the needs and aspirations of the individuals who make up national populations. Equally, the challenges of matching economic activity with environmental sustainability is just as real for an isolated atoll village as it is for the inhabitants of a mega-city.

The UNFPA has devoted some attention to the Pacific island countries. The demographic profile of the South Pacific reflects the diversity of the region. Population growth varies from a high of 4.2 percent in the Marshall Islands to a low of 0.52 percent in Niue. The major determinants of population growth are emigration in the Polynesian countries and natural increases in both Micronesia and Melanesia. In terms of mortality overall significant declines have been reported. However, infant mortality rates are very high in a number of countries. Nearly all countries in the region have identified population concerns, and five countries have adopted national population policies, including Fiji, Marshall Islands, Federated States of Micronesia, Papua New Guinea, and Solomon Islands. Since 1970 the UNFPA has supported programs and focused its attention on 15 countries in the South Pacific. The impact of UNFPA interventions varies among countries as well as within sectors. The overall assistance, however, has made a substantial contribution in the population field, and an increasing maturity in approach to population issues as part of a development strategy is now very visible.

In March-April 1991, the UNFPA conducted a program review and strategy development exercise to identify and address the most urgent needs of the 15 island countries. Based on its findings and recommendations the UNFPA developed a first comprehensive population program for these countries and has now approved a total of US$12.5 million for a five-year period, 1992-1996, for both country or national programs as well as regional programs. In addition, a special country program was approved for Papua New Guinea for a five-year period of US$5.5 million. A
total of US$18 million will be spent by the UNFPA in this region during the period 1992-1996.

The main goals of the country programs are to improve the standard of living and quality of life and to create a balanced relationship between population development possibilities and the use of natural resources, that is, the sustainability of that development.

Included in the UNFPA program is also support for strategic inputs to a number of regional activities in the area of training and research, some of which have utilized institutions within the region. We have provided support to the South Pacific Commission (SPC), a small amount to PIDP, to the South Pacific Forum, and to the South Pacific Regional Environment Programme (SPREP). In addition to these resources that have been made available for this region, we have also established an interdisciplinary team of advisers to be located in Suva. A team of eight advisers, who are multidisciplinary in their nature, will provide technical assistance to help implement the national programs that have been approved. This is a unique arrangement; for the first time United Nations agencies as well as nongovernmental organizations are integrated into one entity, the country support team.

I was very pleased and honored that the country support team was just inaugurated in Suva by the Deputy Foreign Minister of Fiji. The country support advisers have been mandated to work together and to bring their multidisciplinary expertise at the service of national population programs. The team challenge is to bring about the desired holistic development programming approach to achieve national population goals, and I would like to add here that the services of the team can also be utilized by other bilateral donors to channel more assistance to the countries in this region for population programs.

As the countries of this region have shown so convincingly throughout the United Nations Conference on Environment and Development (UNCED) process, the individual and collective contributions of the South Pacific countries can have a major impact. As we prepare for the International Conference on Population and Development, I would like to invite you to commit the
same level of effort to the task that confronts us all: How to ensure that population concerns and realities are fully integrated into socioeconomic activity within the context of environmental sustainability.

In this regard, I very much welcome the attention that you are giving to the preparations for next year's conference. Many of you have established national preparatory committees. Reports on your national population activities are being drafted, and you are also preparing for your own regional ministerial meeting on population and development. I am certain that this meeting in Vanuatu in September 1993 will provide a clear prospective of your region's approach to population and sustainable development, and I look forward to receiving its results so that I can incorporate them into the final set of recommendations that will move forward to the Third Preparatory Committee, which is scheduled to be held in April 1994 in New York and further at Cairo itself in September 1994.

Acting individually the countries and territories of this region can achieve a great deal. When you work collectively as so often is the case, the impact is far greater still. The record of South Pacific cooperation is a proud one. So too is the performance of the regional institutions you have established to assist and support your individual efforts—the work of the Forum Secretariat, SPREP, and the SPC come readily to mind. To this, of course, we must add this very important PIDP. In the coming weeks the South Pacific Forum will meet in Nauru to review the events of the past year and to plan for the coming year. It is my hope that in this year's Forum Communiqué it will be possible to include a clear message of the importance that Pacific Leaders attach to population and development issues and to active involvement in the 1994 International Population and Development Conference.

While at times one might feel lulled into seeing this region in terms of the standard tourist postcard image—blue skies, beautiful beaches, happy people, and a real paradise. You and I know only too well the realities faced by the people of the Pacific. In many diverse ways these challenges relate to both population and the developmental issues and their interrelationship. The coun-
tries and territories of this region can truly be viewed as the world in microcosm. A number of Pacific island countries are experiencing population growth as high as that in any country in the world and indeed higher than in many countries in the world. Few of you are experiencing a commensurate expansion of economic growth. As a consequence it is becoming even harder to provide the necessary services for all your people.

This is a theme that I am seeking to emphasize very clearly as we prepare for the 1994 conference. Ours will not be a gathering solely to discuss the direction in which the global population total is heading. It will be far more than that. As its title stresses, it must address population and development. We must ensure that we address not only the quantity of life but also the quality of life. Stated in somewhat different language, we must make sure that we focus not just how many new members are added to the human family but also on how we can meet their individual needs.

In similar terms, this region is coming to understand the interrelationship that exists between population and the environment. Coastal zone degradation is a growing reality for many Pacific communities as the impact of increased human activities comes to be more clearly understood. Here I would like to acknowledge the important work in which SPREP is involved, funded in part by the UNFPA. It will be important for the population/environment realities to be as clearly set out at both the Vanuatu meeting and the 1994 population conference at Cairo as they were for last year's Summit in Rio.

In the process leading to the conference in Cairo, we have just held an important two-week preparatory meeting in New York. Delegates from eight Pacific island countries participated. This meeting clearly demonstrated that population issues have come of age in terms of their place on the international agenda. Where, in the not too distant past, many countries were often reluctant to enter into a discussion on population concerns, either national and international, I can report that little such reluctance remains. In fact quite the opposite. There are many reasons for this most welcome change of attitude. In most cases they boil down to two factors: numbers and needs. Although we are seeing overall levels
of population growth decline in every region of the world, the absolute numbers of additional people have never been higher. It now stands at an additional number of 93 million people every year.

Virtually all of this new population growth is occurring in the developing regions of the world, including your own. It is my hope that the 1994 conference will give a clear message that "business as usual" in this regard is simply not viable, that greater efforts must be made by all countries, developed and developing, to bring into sustainable balance, population numbers, economic growth, social growth, and their combined impact on the environment.

A key aspect of the mandate for the 1994 conference is the need to address the central concerns of women and the broader requirement for a more realistic gender balance. In far too many areas of activity around the world women fall far behind men in terms of economic, social, and political opportunity. Countries must invest far more in their women and girls if they are to have any prospect of long-term sustainability and development. I want to see our conference in Cairo give a very clear message that until women get equal opportunities in all aspects of their lives and activities and until men take their full responsibility that must go with fatherhood, we will never be able to achieve truly viable communities and countries.

One of the most fundamental rights for women is the ability to safeguard their reproductive health and decide in matters of childbearing. Access to safe and affordable family planning services is an essential component in the quest for equality. Twenty-five years ago, the first Human Rights Conference, which was held in Tehran in 1968, laid down as a fundamental human right that all couples and individuals should be able to determine freely and responsibly the number and spacing of their children. Too often this right is denied by the absence of choice on the part of the women and men of developing countries. For example, we note that there are 300 million couples, women and men, who do not have access to family planning information and services in the developing countries of the world. In Cairo the international
community will move forward in a resolute way to ensure that this right is available to the hundreds of millions of women who currently are denied the opportunity to control their own fertility. I should add hundreds of millions of women and men who are currently denied this opportunity.

Equally I am determined that there should be a very clear message that it is choice that is being offered to couples and individuals, not coercion. Decisions on bearing children or delaying a pregnancy must be taken by those directly concerned. At the same time all the appropriate options must be available to permit an informed decision to be made. I would like to add here that denial of access and information is as much coercion as forcing people to use methods.

Another most topical feature of our conference will be migration. Human beings are on the move in unprecedented numbers at this time. You are all experiencing this and know the challenges created by rapidly swelling capitals and provincial towns and cities. Many of you also know the impact of migration to other countries both within your region and outside. For some Pacific island countries this migration has become a necessary safety valve in the face of high population growth rates. The future trends of international migration, the needs and rights of migrants and of receiving countries has become a most topical subject in many regions and will be a key feature at the Cairo conference. While many of you participated in the Regional Conference on Population and Development, which was held for the Asia and Pacific region in Bali in August 1992, several of you expressed the need for a special conference of your own, which you will be holding in Vanuatu. I hope that the Pacific perspective will be clearly articulated when you meet in Vanuatu in September, particularly on the issues that concern you most directly, and migration is certainly one of them.

In these days when more and more governments are coming to accept the limitations of their involvement in some aspects of national activity, we are seeing a growing appreciation of the non-governmental sector’s contribution. A most welcome aspect of our recent preparatory committee in New York was the strong
sense of that existed between many government delegates and nongovernmental organizations. In your region there is a commendable tradition of cooperation in many areas including family planning. I hope it will also be possible to reflect this in your forthcoming preparations for Vanuatu and for Cairo.

The 1994 conference will focus on the full range of population, environment, and development concerns. I expect there to be agreement on a new Action Plan on Population and Development. I want it to be a forward looking, realistic plan—one that is viewed as achievable not only by government planners but also by many other sectors and groups that must be involved with population and development concerns. I want to underscore here that population programs cannot be government programs. They must be national programs, and national means reflecting the broad spectrum of public opinion and support for population programs in the countries concerned.

With this clearly in mind I proposed at last month's preparatory committee session in New York that the Cairo conference should reach agreement on a set of goals to be achieved by every country over the next 20 years, that is, 2015, and I add here every country so these are not global goals; they are goals that must be achieved by every country. I proposed that all countries commit themselves to reach or assist others to reach the average of the developed countries in such areas as maternal mortality, infant mortality, life expectancy, education for all, especially for girls and women, gender equity, and availability of and access to a full range of modern, safe, and effective family planning services to enable the full exercise of choice in this area.

In making this proposal I have stressed that such an approach should be seen as a challenge for the whole international community rather than an imposition on any part of it. Setting goals for the international community is not an attempt to impose a rigid formula or to oversimplify a complex problem but rather a way to address the basic components of an acceptable quality of life for each and every member of our global family. The proposed 20-year time frame offers the necessary flexibility of response by individual countries and the wider community.
I am pleased to tell you that there was widespread support for this approach. Work is now under way to prepare a draft set of goals for in-depth concentration and negotiation at the next session of the preparatory conference to be held in April 1994. I wish to invite all the countries of this region to participate very actively in this area of conference preparations, and once again Vanuatu offers an excellent opportunity for you to consider goals for your own countries and for your own region.

Excellencies, ladies, and gentlemen, we have made a very excellent beginning in framing what will be a historic document in this most important area of human development. Our aim at the Cairo conference will be to establish at all levels the widest possible freedom of choice in the confidence that choice will be exercised responsibly. In fact, I am trying to name the theme of our recommendations that will come out of the conference, "choices and responsibility." By choices I mean increasing the options and the opportunities for every individual and in the belief that it is only by looking after and catering to individual needs that we can achieve national goals or global goals, that we must start with the individual. But at the same time we must also underscore that with choices go responsibilities, responsibility toward oneself, toward ones family, toward ones community, and toward the world at large. Let us be prepared to accept freedom then and the responsibilities that go with it. We look forward to a constructive dialogue in the weeks and months ahead, and I look forward to your deliberations here and to a most fruitful outcome both in Vanuatu and then at the ICPD in Cairo in 1994. And beyond; I do not think Cairo should be seen as the end of anything.

As the Secretary-General of the ICPD and as the Executive Director of the (UNFPA), we pledge to you our fullest cooperation and support to help you reach the goals to provide the best possible life for each and every individual in each of your countries. Thank you very much.

DISCUSSION

PRIME MINISTER HENRY: I was quite impressed by the statement made by Dr. Sadik. Given the fact, as you have indicated,
that some 93 million children are added to the score at the end of each year, I did a very quick calculation and discovered, Dr. Sadik, that during the course of your address over 6,000 babies were born.

I am interested in your comment about an approach to population control that is more than just that. We should think of population and development in conjunction that encourages some lateral thinking in our policymaking. I would just like to ask you whether your organization has come across any cultural impediments to population control measures. Here in the Pacific there is something that we have inherited from our ancestors, that is, if you have 16, 20, 25 children you are a man. And it does not matter how many women you do it with, and the ladies are happy because they have become a chosen instrument, as it were, for adding to the numbers. Are you aware of anything like this somewhere else? I might just add that while this situation might be true generally around the Pacific, it is totally untrue in the Cook Islands. For example, we actually doubled our child benefits in the Cook Islands hoping that we might increase the population thereby, but the percentage increase in our child benefits was not matched by a percentage increase in our population. But the question really is, is your organization aware of cultural practices that are serving as an impediment to population control measures?

DR. SADIK: I think that we would not be doing our job if we were not aware of cultural differences. We have in fact included now in many of our national programs full-fledged anthropological research studies on the sociocultural determinants of fertility and reproductive behavior. We also did a review of experience for the 1984 Conference of 25 years of UNFPA, and we are in fact in the process of updating that review. And one of the findings, of course, is very much that culture—in which we also include religion and value systems and so on—plays a very significant part in reproductive behavior, and a very important aspect of culture and values is the status of women and the
role that has been assigned to women in many of the societies.

In many societies including South Asia and I think the Pacific, the role that is assigned to women is really that of reproduction and nothing else. Girls are not very welcome. There is a much higher value given to boys than there is to girls in most societies. In fact we are seeing some rather disturbing phenomena around the world in sex selection in China and in India and in many other countries, which is something that we need to address ourselves to. At any rate, this all comes from the low status of girls. Thus that is one reason for high fertility: couples who have girls want to have boys and not just one boy; many of them want to have two sons and therefore they keep reproducing, and in all of this the views or the desires of women are not taken very much into account. In spite of the fact that motherhood is so revered, the least public health measures in developing countries have been devoted to motherhood or maternal health. There are one-half million maternal deaths in the developing countries; 99.9 percent of those could be easily avoided with very simple inputs.

One of the important inputs is not to have children when you are too young, in your teens. Contrary to popular belief in many developing societies, the belief that young girls can bear stronger children is not true. They should be out of their teens. Also there should be proper spacing between pregnancies until the mother has fully recovered from the last pregnancy. But in fact in societies where childbearing is the sole function of women, that is what they want to do even though they may find themselves physically weak. The pressure is a form of coercion; they are coerced in fact into having more children.

Fertility levels have been going down in Asia in countries like Thailand, Malaysia, China, Korea, and others and even in Sri Lanka. In these countries there is an important combination of inputs. One is the access to family plan-
ning information and services as part of maternal and child health care—and also services are addressed to males. In addition, very important inputs in those countries are attention to education, particularly getting girls into school, educating girls, and then providing opportunities for women in economic areas, so that their roles are more diversified than just being the wife or the producer of children; they also have access to economic opportunities. This seems to be a very important element in the successful population program.

My answer to your question is yes, I think we have to look at each country's particular situation to find out why that situation occurs and what are the inputs that need to be made. Another important input that has to be made is attention to the education of men. Changing the attitudes of leaders and those that make opinion in those societies, and I think the macho man, is a very important target for change because we must find another way for men to feel important than just by fathering children. That is why I want to move from the fathering of their children to being responsible for their children, and the responsibility means that men cannot exploit children, men cannot put them to work. That is really exploitation and discrimination. I think that fathering children or being responsible means that men must look after their children's future, educate them, and keep them healthy.

I hope that the Cairo conference will talk about gender equity or empowerment of women, and I am going to have some subheadings that will also talk about the role of men in gender equity. I think that that is a very important cultural change that we need to address.

If I could just change the attitudes of men I think I could do everything. They are the opinion leaders, and policymakers and have the leadership role. And to provide equity for men and women you need to change the attitudes of men even more significantly than the attitudes of women because women will follow; they have already been doing that in most of these societies.
There is some similarity between your islands and the Caribbean, maybe not quite the same, but in fact many girls in the Caribbean, for example, look forward to becoming mothers. In some of the islands contraception is frowned upon, and the grandmothers very readily take in the grandchildren of their daughters who are not necessarily married and who may have had different partners. So it is a situation that we need to understand in order to address it, and certainly it has to be addressed. Religion, of course, plays an important role. In the Christian religion, the Catholic religion has a very particular position on modern methods of contraception. They support responsible parenthood, and the Vatican has made many statements on responsible parenthood that parents must have children that they can bring up.

As far as the UNFPA is concerned, we obviously cannot go into religion because we are an international organization. Our view is that family planning must be promoted as a health measure, as a basic right of individual men and women. But we are not method peddlers; we are promoting a concept and an idea that is technically, scientifically, and, in terms of human rights, sound. Therefore, governments and countries must provide access to information and to services about family planning to all of their population because this has been agreed in all kinds of international agreements. But the decision on what to use or how to use or when to use should be left to the individual. I think individual choice has to be the key, and that is why I make the point that individual choice means full access to information and services because that is only when you can exercise choice. Choice is meaningless if you are denied the information and the opportunities and the access. So choice means that, and individuals should choose those that are in keeping with their conscience or with their own particular needs. Here I think the importance of women having the possibility of making decisions about their own lives is also extremely important.

HONORABLE SIR ALBERT KIPALAN: On behalf of my country I wish to thank you and your organization for assisting Papua
New Guinea because our economic growth rate is lower than the population, and I would like you to comment or elaborate that the developing countries seem to have a much, much higher rate of growth in terms of population growth than the developed. Do you see any relationship between the economics of a particular country? The poorer families tend to have more children than the well-to-do.

DR. SADIK: I think that in the developed countries of the world the demographic transition results in what we call stable population or replacement level population. It took place not with external inputs but with changes in behavior, both in mortality reduction and in fertility reduction. Indeed in many developed countries fertility decline preceded mortality decline, which is contrary to the popular belief that economic development and social development resulted first in mortality decline and then was followed by fertility decline. In fact if you look at the data from England and Wales, from Germany, and to the lesser extent from France, fertility decline proceeded mortality decline. There is a relationship between mortality and fertility. In today's developing world the many external inputs in terms of public health interventions have reduced mortality levels rather sharply without that concomitant change in behavior or personal participation by individuals in promoting their own individual health.

Fertility levels consequently have stayed static or in fact in some cases have increased because pregnancy wastage as we call it, or spontaneous abortions and so on, have decreased. Therefore birth rates have either stayed static or increased so that the difference between birth rates and the death rates has increased, resulting in this very high rate of growth. You are also right that there is a relationship between poverty groups and large family size. In many developing country societies, studies have shown over and over again that there is some linkage with poverty. You have to look at poverty not just in terms of economic opportunities, but also the poverty groups are
those that do not have access to education, do not have access to health, do not have access to family planning information and services, seem to be much more bound by culture and tradition of the type that Sir Geoffrey was talking about, and seem to be much more in that mold. Consequently, many of the poor families in those societies have much larger numbers of children.

In some countries like Sri Lanka, which has a very low economic level, and in the southern states of India, such as Kerala, people have fertility levels much lower than the national economic levels. Let us look at the phenomenon; the difference is the investment in the social sectors. They have invested heavily in education, particularly education for girls, so there is universal education, and more important there is an increase in gender equity in the economic sectors. There are more women participating in activities outside of the home and having income of their own, and consequently these women seem to make decisions to have smaller families. They may not be at the replacement level, but they are much smaller families than those of the national average because these women are investing in their children. They are spending their income on their children in education and health, and they seem to plan for the future of their children, and they seem to have more hope for the future of their children than the poorer families that just produce children, six, seven, and eight. They use them to help in the household, to go to work outside, or just leave them without really investing any time or any money or any inputs into their future and their development.

That is why we suggest, as Sir Geoffrey quite rightly said, it is not just a matter of providing family planning information and services. That is one input, but in order to obtain population as part of development and a balance between development and population possibilities, you must also invest in the social sectors. The whole issue is really about individuals understanding that this is in their benefit and for their future. To do that you have to have a
broad based public opinion support for the program, you must invest in the social sectors, and key inputs are changing the attitudes of women and men. It starts with women because women bear the consequences, but in fact it is equally important to change the opinions of the Leaders and policymakers.

You will see in Papua New Guinea as you invest in education and health one of the problems in the poor countries is that as the population grows and the economic growth levels are lower then they fall farther and farther behind, they keep pulling out resources from the social sector, which is in fact a mistake and then find that they are even farther behind. I think that the need is to try to find a way to keep the social sectors supported and growing. One of the issues that we must address in the Cairo conference is how the social sectors must be fully supported. I am suggesting in fact that 20 percent of national resources should be devoted to education and health, but whether that will be accepted or not by all the governments I do not know. But I am assembling a lot of data on this subject to show that countries that do make the investment in the social sectors plus family planning are the countries that will be successful—not the countries that just have a family planning program. They will be successful to a certain extent but will not be fully successful and will not achieve the full potential of what they should be achieving.

We did a study last year of 80 developing countries, and we found that all the countries that had high economic growth were the countries that had invested in the social sectors and in family planning programs in the 1970s. A study of countries in the 1980s of all the countries that did not pay attention to population and did not address the social sectors were the same countries that lagged further behind on the economic scene than the other countries that did make that investment. No country that had a population growth rate of more than 2.4 percent made any substantial economic progress in the decade of the
1980s. We are not saying that there is a direct relationship for cause and effect in population growth and economic growth, but there is certainly a connection particularly when the economic climate is not very good. When there are economic difficulties then the countries with the high population growth seem to suffer the most and seem to be the countries that are falling far behind in their growth.

We did a study of Brazil and Japan, which were at the same level not too long ago in the 1940s when the income levels were the same and population levels were more or less the same, but then they took different paths. You look at Japan today and at Brazil today the differences in the paths followed resulted in something quite spectacular. These cannot be said to be cause and effect, but there is a relationship between economic and social development and population growth rates. The rate has to be in balance. Lester Brown of MIT, for example, has done extensive studies on economic growth, and he has said very definitively that no country will progress with a population growth rate of more than 2 percent per annum.

DEPUTY PRIME MINISTER LANGI KAVALIKU: First, I would like to join my colleague Sir Geoffrey Henry to congratulate you on a very important statement you made. Perhaps not so much a question but an issue on which you could enlighten us. I agree and I accept the fact that population is critical; at the same time there are short-term and long-term issues involved. It is a reality that six, seven, eight, ten children are their parents' "banks" in terms of their old age. Most countries, at least mine anyway, cannot provide the welfare system that could take care of the older generation. What are the issues you are looking at in terms of immigration as a short-term possibility in solving some of these problems?

DR. SADIK: We had an expert group meeting on internal and international migration, and the recommendations were not very conclusive because the topic of immigration and migration is very sensitive. It was also discussed at the Re-
Regional Conference for Europe and the Western Countries, which was held in Geneva, and they addressed international migration in a rather balanced way. They started when they were preparing for their conference by looking at immigration in a very political and historical way. They wanted to suggest that all immigration should be banned, and there should be fortresses and so on. The United States and Canada played a very important role as did the United Nations. They felt very strongly that there should be no such statement on international migration because they are historically countries of migrants. In the end the western countries decided that they would look at, and I think they accepted, the fact that migration has been a phenomenon forever and has been one of the ways in which countries dealt with the lack of opportunities for their population in their own countries. Thus the way to deal with international migration was to look at poverty eradication and to increase the development and employment opportunities of the "sending countries."

One of the recommendations from that conference is that there must be greater attention to the needs of the "sending countries" to develop themselves, and the international community should help in that effort. There was, of course, also the other aspect that "receiving countries" needed (in addition to looking after the needs of the migrants and the legal aspects of the migrant labor and their families), which was how they could cope with the increasing number of migrants in their societies in terms of sociological integration and economic integration. With the economic situation in Europe and all over the world being so difficult there is a lot of reaction in the national populations against migration. This is a subject for the Cairo conference; I am looking at all of these recommendations from the regional conferences and trying to formulate suggestions as to how this phenomenon needs to be addressed. We will try to make some constructive suggestions. We have to recognize that while international migration has always been a phenomenon, there is a worldwide reaction to it. You have to live within the re-
alities of the present day situation. But the developing countries should be able then on balance to give more attention to trade relationships, to economic opportunities, and to employment creation in their own countries.

One phenomenon in international migration that is not recognized is that there is more migration between developing countries than there is between developing and developed countries. For example, our figures show that in Africa about 40 million Africans were living outside their country of birth and working in other countries. These are also people on the move in search of employment.

One of the proposals I was making to the United States after the Zoe Baird case was that there are employment needs of the developing countries and that those employment needs are matched by a shortage of labor in some of those areas where illegal migrants are getting jobs in the developed countries. The migrants from the developing countries are quite willing to work at lower wages than are provided in the countries to which they go in the west. But these levels are much higher than what they are able to earn in their own countries. Cannot some kind of a formula be found that allows this to take place and then they could come back? But of course this is not something that is easily salable, though in fact it is something for which there is a demand and there is a need.

We need to find a way of addressing some of the demands for jobs in the developed countries and matching them with the needs from the developing countries. But we need to do in a way that is acceptable according to some international standards, not necessarily the standard of that particular country. If that is something that could be sold to the international community, that could be one way out of a temporary phenomenon because most people really do not want to leave their own countries. They want to stay in their own countries, and they will probably go back to their own countries if the opportunities exist for them. But as a temporary measure I think there is
some need to study this further. I am just giving you some ideas because these are not matters that are going to be decided that easily. But it is a phenomenon that is getting increasing attention mainly because of the big potential for population movement. The largest additions to the world's numbers are being recorded in this decade, and this is matched in all areas including the area of population movement. I think the industrialized countries are shocked at the idea of large numbers of people moving out and invading their countries. The developing countries are saying just as you have free trade you must also have free labor movement—that is the other side of the free trade movement and of course that is not going to be accepted. It is a difficult issue, but I hope that you will give it some attention in Vanuatu and send me some recommendations.

PRIME MINISTER BIKENIBEU PAENIU: I believe that the presence here of Dr. Sadik is an indication of the importance that the UNFPA is according to our region. Based on what she is recommending, I recommend to this Conference that perhaps through our working committee or the drafting committee that a broad framework is devised upon which an action plan could be worked out in detail in the forthcoming Vanuatu conference in September. It is possible that the Leaders may not be present in the Vanuatu conference; therefore this Conference perhaps should give some mandate to guide the Vanuatu conference such as an action plan on a regional basis to be tabled in the Cairo conference. In addition, I would like to understand from the Executive Director why the UNFPA pulled its funding program out from the South Pacific Commission (SPC). I know that it is still extending some assistance, but the large portion of its presence has gone.

DR. SADIK: I am not sure that I can answer the last question. I take it that you are referring to the adviser that we had in the South Pacific Commission?
PRIME MINISTER PAENIU: I am referring to the fact that there was a major funding portion that you used to give SPC to fund its demographic program.

DR. SADIK: I think that that is still under discussion, but the adviser we have put in the country support team is to make a pool of interdisciplinary advisers.

HONORABLE FIAME NAOMI MATAAFA: Could you make a brief comment on statutory control on population? Your presentation touched on the development of policies and how five countries in the region have developed population policies and how the UNFPA works in 15 countries. As a legislator the area of statutory control, I am not aware of any in the Pacific, but I was wondering if internationally the UNFPA has monitored any activity with that sort of regulation? And what is the view of UNFPA on statutory regulation?

DR. SADIK: The UNFPA view is that countries can set national goals, but you cannot legislate the size of the family because you are not going to achieve it through legislative actions. You can achieve it only by persuasion and information and the actual change in attitudes of individual men and women. So while several countries have national population policies and also have stated, for example, an ideal family size of two as replacement level fertility. China has a one-child family policy, and Bangladesh and Pakistan have two- and three-child family policies. The adherence or acceptance of the policy is at the individual level and voluntary in nature, and we in fact insist that there must be no coercion—that all population policies or family planning programs must be fully voluntary and adhere to international principles and standards. The choice must be that of the individual, and coercion has no place in population or family planning programs. That is the position of the UNFPA and that is the international human rights position as well.

We are in fact persuading many countries, and some have in fact listened to us. I refer to India and Indonesia where
they have moved away from what they used to have as individual targets and goals for individual family planning workers. This was counterproductive and led to abuse and in fact undue pressure on individuals and couples. Both these countries, as well as Bangladesh, had it very early but have moved away. We are also against individual targets for individual methods, which was also a practice. These practices were suggested by international advisers in many of the South Asian countries when their programs first started in the 1960s as accepted ways of operating or managing programs not in family planning but in all other sectors with goals. But they led, as you know, to several abuses, and this is why the international community has condemned these practices and suggested that we move away from targeting and from quotas. In the end they are not very successful. India is a very good case in point when it had targets for sterilization. The big backlash from the program still persists in many parts of India, particularly in the northern areas. So I think the experience and the basic rights of the population determine that you really cannot have statutory legislative goals, but certainly legislators can legislate, for example, access to information and services for all the people for family planning.

For example, countries like Brazil and Mexico have in their Constitutions that the right of women and men to have access to family planning information services is a constitutional right. I circulated the Brazilian Constitution widely to a lot of countries. It is very well worded in the context of the family, the rights of women, the rights of men, and the rights of children. Within all those rights are the right to decide freely and responsibly the number of your children, the spacing of your children, the information about the health aspects of child bearing, and so on. All these are in the Constitution, which is quite important because some of this information is not known to women and men. Thus our position is that statutory control of population is not something that we would support, and I think it is against international human rights standards.
Coercion is absolutely out of the question, and we think that information, education, quality of service, approach, getting the individuals to know the rights, and the individual rights approach is the best approach for population programs.

PRESIDENT FLOSSE: My country is confronted with the problem of demography. Fifty-two percent of the population is less than 20 years of age. Thus we have a double problem. First, we have an employment problem for the 2,000 to 3,000 young people who arrive on the marketplace each year in search of work. The second problem is that we feel each couple should choose the number of children and their spacing. Is it only the independent countries that can benefit from your expertise and knowledge?

DR. SADIK: We have received a request from your group of countries for some technical assistance that we will be happy to provide. In the case of the UNFPA we were set up to help the developing countries, and you, unfortunately, do not qualify in that category as the French territories. On the other hand we have the mandate to create awareness and do some studies about population issues in all of the countries, and we have not exercised this part of our mandate very effectively because of the lack of resources. For this reason, we have concentrated on the developing countries. But I am pleased to say that we will provide you with some technical assistance in the coming months. We have your request, and we are looking at it most favorably, but not necessarily in terms of financial assistance. I think we would have to discuss with the government of France how we can support the programs here in French Polynesia. Because in some ways your problems are very similar to some of the other island countries in the Pacific with a high rate of growth and very young age population, high unemployment, and perhaps some deterioration of the social sectors because of the local economic growth. So I will consider how we can look after your needs.
PRIME MINISTER HENRY: Dr. Sadik, I believe you have left on the table of the Leaders of the Pacific gathered here one great challenge in that you have indicated to us that the issue of population is more than just the numbers problem. It is not just quantity we are concerned with here; we are also concerned with the question of the quality of life. That matter brings to bear many issues. The question of quality of life is a multifaceted issue. That being the case it calls for clearly a multidisciplinary approach. Now given that to be the case, do you not believe that maybe the time has come when the United Nations should also approach the whole question of population from a multidisciplinary point of view? Here I am thinking about the possibility of joint contributions from your organization, UNFPA, and WHO since we are concerned with health issues, UNESCO since we are also concerned with educational matters, UNICEF since we are concerned with children, UNCED since it is an environmental issue as well, and maybe even other United Nations agencies that could be brought to bear in approaching jointly those technical problems or technical assistance matters required by developing countries.

DR. SADIK: I fully agree with you—that we want to look at population as one of the components of a development strategy or sustainable development strategy. I want to call your attention to our country support team that is, in fact, a multidisciplinary team; it is drawn from other parts of the UN system. We are paying for all the advisers but they come from different parts of the system, in this case ESCAP because the Economic and Social Commission for Asia and the Pacific is dealing with population and development issues—one area represented. We have UNESCO represented in our team because of education, particularly to introduce population, family life education in the educational system. We have the ILO represented to look at population and manpower projections and needs and WHO represented as well. Last year and this year, both our governing council and the UNICEF Executive Board have passed resolutions that UNFPA and UNICEF must
work together in the area of maternal child health and family planning. UNICEF will take on the advocacy role much more strongly. The same health workers who provide the child care, the immunizations, etc., also provide maternal health and family planning services. In fact, there is a very strong mandate for UNICEF and UNFPA to work together.

As far as UNEP is concerned, the environment program, we are in dialogue with them on doing more at the country level. UNEP has done more at the regional and global levels and has been very much involved in the conventions and the treaties and so on and various environmental aspects.

The UNDP has a Capacity 21 Program, which is in fact an outcome of Agenda 21 on how to implement some of the recommendations of Agenda 21, and we are participating in that program. I hope the Pacific islands will get some assistance on environmental issues related to population and economic issues from that facility. I am in the process of looking at how we can do better population and natural resource and environment studies in the Pacific islands because they are also a good research laboratory in that they are smaller areas. We have done some work in the Caribbean and in some of the African islands like Mauritius and Madagascar. We did one in Fiji many, many years ago but somehow that has become out-of-date.

The whole idea is in fact to have a multidisciplinary approach. Again, as a result of Agenda 21, the Commission on Sustainable Development has been set up and has just met in New York, and it is going to be followed with an Island Countries Conference, which I think is going to be held in early 1994. We are participating very actively in those conferences as well and especially looking at the policy framework that is going to be developed as a result of these deliberations because we believe very strongly that population should not be an isolated program. It should be very much integrated into a whole develop-
ment program that looks at all the aspects that you have mentioned. Our idea is that we should try to harness the resources of the whole UN system to help us with achieving population goals. Population goals cannot be achieved by just one organization, the UNFPA. We are a very small fund. Thus our role is to catalyze most of the UN organizations as well. In the process, for example, for the Cairo conference, I am convening precisely the organizations that you have mentioned, WHO, UNESCO, UNICEF, the World Bank, UNDP, ILO to help with the mutual achievement of our goals.

It is equally important not just to set the goals but to decide how those goals should be achieved. Some contemporary experience should be used so that countries can be convinced that it can be done in today's world. Many countries have achieved some of these goals in ten years, in 15 years; surely then if we set ourselves a 20-year time frame with the support of the whole UN system, I think that we can achieve a reasonably comfortable quality of life for each individual on our planet.
MAJOR DIMENSIONS
AND PROPOSED
NATIONAL FRAMEWORK FOR
SUSTAINABLE DEVELOPMENT

chaired by
The Honorable Gaston Flosse
President of French Polynesia
Chairman of the 4th Pacific Islands Conference of Leaders
Honorable delegates, distinguished guests, and observers. The theme for this presentation is “Sustainable Development: From Ideal to Reality in the Pacific Islands,” and it has three primary functions.

First, the presentation will summarize the issues of sustainable development based on what has been written in the literature, what the policymakers have said so far, and what our research activities have revealed.

The second purpose of this presentation is, out of these major issues identified, to select what we see as the major dimensions or areas of sustainable development on the basis of the reality of the Pacific islands.

The third and most important purpose for you as Leaders is to examine the current approach to determine if it is appropriate to deal with the reality of sustainable development in our countries.

Given the inadequacy of the current approach to development in the Pacific island countries, we suggest an alternative approach that takes into account the major dimensions of sustainable development that we have identified in relation to our own realities.
The central proposition of the paper begins with our capability or the capability of the Pacific islands to meet needs and aspirations. The proposition here is that capability is not determined by capital formation or the linear approach that we are familiar with and that has been recommended and adopted by our countries over the past three years.

Rather, the main proposition based on our own analysis is that capability depends on the interdependent relationships among the major dimensions or major aspects of sustainable development. And that in turn influences the access of our own people to options and resources not only with respect to the current situation but also with regard to the future generations.

In addition, I think it is important for us to recognize that some of our own Leaders believe that too much emphasis has been placed on material values. Our various religious institutions with their range of beliefs and networks provide a stimulus, which we are familiar with, for the flow of both spiritual and material resources within our communities and the rest of the world. And we all know that the Leaders have counseled us that we should devote a substantial proportion of our resources to the support of services and norms that are likely to permit the greatest number of souls to migrate to heaven or someplace else for their salvation.

We have listened to discussion of migration. We are also aware of the fact that many hundreds and thousands of our brothers and sisters have elected to cross the Pacific Ocean to the urban centers of Australia, New Zealand, and the United States and work and wait at these transit points until either the final word comes from God for them to proceed to heaven or the immigration authority calls to return home, or both. So while they work and anxiously prepare themselves for these irreversible destinations they continue to enlarge their cultural kinship and social obligations by sending goods and services to, as well as receiving goods and services from, those who remain at home. We are also aware of the fact that in some Pacific island countries, especially Western Samoa, Tonga, Niue, and Cook Islands, this continuing extension of the kinship relationship to the metropolitan sectors has brought in foreign exchange greater than that created by those country-
men and women who remain at home. And this circular flow of goods and services within the ever enlarging kinship system reflects the interdependent relationships between our cultural and spiritual values in our own communities.

In addition, our cultural and spiritual values tell us to share, redistribute, and consume the wealth that God gave us before we can attain certain political and spiritual goals. At the same time our material development values say accumulate and invest to create more wealth in order to achieve a certain material standard of living. Thus we have these two parallel if not conflicting values among us. Either our culture and spiritual values that have provided our basic means of survival for thousands of years are wrong, or else our development experts are.

Therefore the direction of change toward the kind of values for the future that lies ahead for the peoples of the Pacific society is determined jointly by the progressive desire of a material value system and the conservative influence of our spiritual and cultural values. Consequently, it is very important for us to appreciate that when the policymakers and the Leaders set the direction and the goals for sustainable development, they ultimately set the direction of change in the balance between our spiritual and cultural values and our material values that in turn have tremendous impact on the well-being of our own people, not only today but in the future. The basis of this paper is to examine the two values.

Let us now examine the major dimension of sustainable development and see how this concept, which we have just introduced, can help us and guide us in arriving at the decisions and policies that are relevant and appropriate to our own situations. The recommendation of this paper is that we should focus on the direction of and not the change in development. We all know the model that we use and that is recommended by all the international agencies is based on the rate of development, the rate of growth, the rate of population, and the rate of anything. But we are going to look at the direction and not the rate, particularly in relation to the types of goals and objectives set by our Leaders for our own countries. And then we will see how we can balance the needs of the present generations and the needs of the future generations.
A review of the literature in sustainable development reveals that the term is used with a range of interpretations by policymakers, planners, and opinion makers. But there appear to be two common interpretations of the concept. The first one is a concern with environmentally responsible development, especially with the management of the environmental resources and their interactions with population and economic activity in any given period of time. The other major interpretation is a concern with the economic growth that can be sustained over time at a given level of population and environmental quality.

The first interpretation or the former conceptualization of that concept is at the root of Agenda 21 of the (UNCED), which defines a global strategy for implementing sustainable development.

The second major interpretation is reflected in the substance of a recent World Bank report entitled "Pacific Island Economies Toward Efficient and Sustainable Growth." Although a much wider interpretation of sustainable development, which is considered more useful for decision making in the context of the reality of our Pacific islands, is given later, some basic terms and their meanings need to be clarified here. In my paper the term "development" refers to the range of feasible choices associated with the process of guided change directed toward preferred goals. In other words, after the policymakers make their decision with regard to their goals and the potential choices associated with those objectives, then the policy adopted to pursue them can be defined as development. In short, we are concerned with the process not the objectives of development.

An integral part of the means of pursuing the decided goals consists of a government policy that effectively influences the quantity and quality of choices available to the people concerned. In addition, the term "sustainable" is based on the idea that whatever change the government has introduced, there will be continuity and unbounded process of change.

Given this summary or review of the literature, I have identified seven major dimensions or areas of sustainable development (Figure 1). They are (1) economic growth, (2) population, (3) envi-
Figure 1. Interrelationships of 7DD and intergenerational linkages

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environment, (4) technology, (5) culture, (6) government, and (7) international relations. But the most important aspect about this alternative or new approach that we are going to look at today is how these seven dimensions or areas are interrelated. That interdependent relationship among these seven dimensions determines the failure or success of a policy.

Let us now look at the alternative framework that I have designed to understand the interrelationship among these dimensions. Let me say the current development model that is being used widely in the region is mainly concerned with the area of economic growth. If we look at the development plan of any Pacific island country we will find that the concentration is on economic growth. Production—the level and the rate of growth in the production of goods and services whether it is for export or domestic—is the main preoccupation of our central planning. The current development approach in most Pacific islands tends to concentrate on that area. Research also tends to and economies tend to concentrate their thinking within this box.

Demographers and population experts tend to confine themselves to the population area, growth of population, mobility, migration, and human resource development, but the quality, education, and the health of the population are also important.

In the environment area the environmental experts build a little fence among themselves and concentrate on that area.

In technology, the experts in technology do likewise. This is their area, which is about equipment or the type of capital resources employed in production and goods and services, the type of skills required, training, and the knowledge associated with that technology.

Culture is where a majority of our people operate with values, beliefs, land tenure, cultural identity, and so forth. So this fence is often built and becomes a very popular ground for research by social scientists and anthropologists.

Government policies are in another box and involve stability of the government and the type of leadership given.
Finally we have international relations.

I am proposing that the best way of approaching sustainable development in the Pacific island countries is to look at the interrelationship, for instance, between economic growth and population because the impact of economic growth on population is actually different from the impact of population on economic growth. They are entirely different.

For example, the production of goods and services and the organization and institution we created for production does have an impact on the mobility of population within the country and between the country and the rest of the world. At the same time, institutions and organizations have an impact on the environment, resource use, and degradation of our environment. At the same time, we can also say that that particular approach to economic growth and development has an impact on technology and in some cases a more serious impact on our cultural values and beliefs, which has an implication for the role of the government with regard to the present generation as well as the future ones. Some data from the World Bank report illustrate the limitation of interpretation that often is made by the international organizations because of their tendency to concentrate on one of these boxes.

In economic growth, as I mentioned, we are concerned with production, distribution, and so forth. Population involves the issues of growth, migration, and distribution, as well as the agenda that was already mentioned by Dr. Nafis Sadik. Environment covers the issue of natural resource use and the relationship to environmental degradation and preservation. In particular, who is deriving the benefits from resource utilization and who is paying the cost for the environmental degradation? We also look at culture and try to understand the distinctive cultural values and traditions that can be used as a basis for appropriate development in the Pacific islands.

We can also ask who acquires the benefit from the continuity of our cultural values and beliefs and who meets the cost of cultural investment in appropriate norms of reciprocity and responsibility for its continuity? If we think about the interactions we can also
see that those who benefit from that continuity of cultural values and beliefs are not necessarily the ones, or the companies, or the businesses that paid the cost for the continuity of these values. And, of course, with regard to the government we may ask what direction must a government follow to ensure that the resources of a community are used most efficiently and effectively to achieve the preferred goals set for the present generation without compromising the access by the future generations to the choices and resources? The essence of sustainable development concept that you find in the literature is the trade-off or the co-existence of the needs of the present generations and the future ones.

In the area of international relations we are concerned with the issues of international trade, goods and services, flows of capital information, regional institutional building, security, and response to changing patterns of power in the region. That is the general framework.

As a more specific, empirical example, I have chosen the case of the Republic of Kiribati. Not because there is something peculiar about Kiribati, because we can do the same for any of the Pacific island countries. Based on the information that we have gathered about Kiribati, I have isolated a number of issues. The first one in the economic growth area is an emphasis on fisheries. There are two types of fisheries, the small scale and the large scale, and also agriculture development has an emphasis on private sector. In addition, financing of investment is an issue in economic growth. In the case of fisheries the strategy and policy adopted by the government of Kiribati had an impact on the growth of population and the migration of population, not only within the country but also between Kiribati and the rest of the world. We will return to this.

Regarding the environmental dimension we find that the government has identified a number of issues particularly with regard to ground water, pollution, and depletion of the reefs and lagoons. The coastal erosion and the depletion of mangrove and other tree species, which relate to migration growth, are also a function of the type of strategy adopted for economic growth. If you take any one of these issues we can fill up the boxes on the left and also fill up the boxes to the right. And that information
will provide a better place for decision making when a project or a policy is assessed by the government to decide whether it is sustainable in the long run. That is just an example of how we can use this framework to look at the interdependent relationships among the various dimensions of sustainable development in the Pacific island countries.

Now let me go back and mention the point that I made earlier about the current approach in the Pacific island countries. It is not only inadequate but also inappropriate, particularly for development on a sustainable basis. Let us look at the conventional, that is, the current approach. Suffice it to say that the failure to take into account these interrelationships in the formulation of development policy throughout the region has resulted in the adoption of a model that conceives development simply as a collection of individual projects—a linear process to achieve individual objectives. When applied to the development of the Pacific island peoples, this conventional wisdom assumes that a linear process of capital accumulation by various departments and sectors and projects will lead to a steady increase in the production of output of fish and agriculture and so forth. But that is the prediction of the current approach or the conventional model.

The reality is different. If you look at the statistics that we have obtained from the World Bank, there is very little association between capital accumulation on the basis of the project approach and economic growth. In addition, there is very little association between the rate of growth per capita and the rate of growth in investment.

Take the case of Fiji, for example, between 1987 and 1991 for every one dollar of expenditure Fiji allocated an average of 16 cents to capital formation and experienced an average increase of 2 percent per annum in productivity or average per capita output. During the same period Western Samoa devoted about 32 cents, which is about twice as much as Fiji, to capital formation for every one dollar of expenditures but experienced a fall of 1.2 percent in average output per capita. In the Republic of Kiribati, capital formation was about 26 percent, but the rate of growth was half of that of Fiji. The World Bank report termed this unexpected
outcome of high capital investment and low output growth as the "Pacific Paradox."

Let us pause and consider this question, is the absence of a strong positive correlation between capital investment and growth of GDP really a paradox, unique to our shared region of islands? In my view the answer is no. That is not a personal view; it is based on research. It appears that what the World Bank actually means is that within the boundary of the stringent assumptions that underpin the conceptual framework employed in the analysis of the Pacific island economies no other interpretation is possible. Thus the low economic growth despite the relative high investment levels is called the Pacific Paradox because it is exactly the reverse of what the development model predicts. And the usual explanations are many. We read about the reference to the lack of domestic savings, the low productivity of investments, the relative high population growth, the so-called subsistence affluence, the large size of the public sector, and the need to reduce the size to a sustainable level. Sometimes this whole scenario is blamed on the narrow range of resource endowments and few export commodities. Some experts say the domestic markets are so small they cannot really be developed. There is also blame given to the lack of training and skilled manpower resources and in many cases a vulnerability to natural resources. Now these explanations are useful, but I think the pickiest problem with this type of explanation is that it does not mention anything about the interdependent relationship between various sectors of development in the Pacific islands. Thus from the point of view of sustainable development we need to consider the interdependent relationships. The only problem is that the areas are perceived in an isolation. They have to be related to the other major areas or dimensions of development in the Pacific island societies.

I have chosen the example of culture to illustrate how an interdependent perspective is more relevant and more realistic than an isolated one. The Pacific island communities are largely communal where kinship groups own the land and influence the organization of production and the distribution of goods and services. Decisions at the micro-level as to what to produce or harvest from the land and reef and how much to sell in the market or to share through cultural obligations are largely shaped by kinship values
and relationships. Some people tend to expect from kinship members working within the government's sphere, special favors as part of kinship or tribal obligations of traditional leadership. Thus the kinship values emphasize sharing and redistribution of material wealth to provide an ideal environment for devoting time and creating an emotional energy and resources to reproduce conditions for social stability rather than to invest all the available capital in material income generating activities. The cultural values associated with the fulfillment of kinship relationships are the basic sustainable means of livelihood in all Pacific island societies. They provide the basic means of survival and in many cases the meaning of life for the Pacific peoples before the advent and during the infusion of western international markets and technological values and beliefs.

The development model, which is commonly adopted by governments, may fail to consider this truth, but it cannot prevent its existence and therefore its significance for sustainable development in the Pacific island countries. Because of the importance of our cultures I have attempted to incorporate cultural values and beliefs to see the impacts on economic growth even if we use the World Bank approach. Now first let us take investment and look at any community, and we will find two types of investment. Basically, investment in income generating capacity has been emphasized by all the development agencies. But there is another form of investment that we sometime fail to consider, and that is the investment in cultural values and activities in our own societies, which takes a lot of our resources. On the other side, what type of resources are available to finance these two types of investment? In a typical development approach there are domestic savings and foreign capital inflows. What is neglected is a very important form of saving that is occurring in the Pacific islands; it is called social obligatory saving.

Now if these two are matched in a development, mathematical model, the rate of growth is influenced by the difference between investment in cultural activity and saving in the form of cultural/social obligations. Let me give you an example of what I mean by investment in cultural activity and social obligatory saving. It is based on my own study about ten years ago, and the
data show there are two types of income flow into any household in a Pacific island country. One is the cash income. The other one is the obligatory income, the contribution from relatives or friends or anyone within the community or outside the community. At the same time there are two types of expenditures. One is the immediate consumption and the other one has to do with obligations, whether it is an obligation to the church or an obligation to a tradition and cultural values. There are some elements that should be treated as an investment in cultural activity or cultural values, which provide the basis for stability of our culture and tradition. The other form is the saving, or what is available. Thus when the modeling is done, the difference between the obligation and income affects the rate of growth of output in our Pacific island country. This point is very important for an understanding of the interrelationship between culture and economic growth in our society. In short, the basic principle of culturally sustainable economic growth in the Pacific islands is that the commercial productive investment is only a proportion of the total capital formation. In other words, the cultures will impact the economic growth in a negative way if and only if this type of expenditure exceeds the obligatory income.

On the other hand, if that type of expenditure is less than the obligatory saving, the impact of culture in economic growth is positive. And this condition justifies the introduction of some form of government cultural tax. The cultural tax revenue could be used to assist the promotion of cultural value activity or cultural investment, if you like, including the promotion of environmental awareness at both the national and community levels. The co-existence of the cultural investment and cultural tax will help to address the question of who enjoys the benefits from the continuity of cultural values and beliefs and who meets the cost of cultural investment in the appropriate forms of reciprocity and obligation for its continuity. If we look at every Pacific island country we can ask this question and also make the decision whether it is appropriate to impose this type of cultural tax. Cultural tax is very important because it is a symbol of the recognition of the importance attached to cultural values and beliefs. In addition, it would help address the imbalance between those who benefit and those who pay the cost.
One additional consideration in our model is population. The analysis in my paper shows the tendency for a negative impact between population growth and per capita income if and only if the productivity of investment, savings, and capital inflow remain unchanged over time. In other words, if they change then population growth will in fact contribute to economic growth in the society.

Next, it is important to ask the question, what then is sustainable development if we look at all the interrelationships? Basically, it is defined in terms of the stability of the relationship. At the macro-level the stability of these interrelationships will be reflected by the balance between the supply of and demand for goods and services. That in turn will be reflected by the difference between investment and saving. In other words, if investment is greater than saving there is an excessive amount in the economy, and if domestic saving is greater than investment, it is the other way around. In the majority of the Pacific island countries, investment exceeds saving, and the gap is filled by foreign capital inflow because of the belief that capital formation will lead to an increase in the output of goods and services. And I have mentioned that there is a problem with this type of approach. But even if we restrict ourselves to this way of thinking, we can ask the question, how can we use the foreign capital inflow, whether it is in the form of foreign investment or foreign aid, to increase the output of goods and services out of which we must extract the savings to fill the gap? Otherwise in the long run there will be instability at the macro-level.

That is the question we can ask at the macro-level. However, we have to understand what is happening at the household level because of our cultural traditions and our relationship with the environment and the other dimensions in the economy. We have analyzed the stability at the micro-level or the kinship level in the case of Tonga. The results are very interesting and later we will see their implication for the management of natural resources, particularly fisheries. Efficiency has two aspects: technical productivity and economic returns. If we examine the purely technical productivity of a small-scale fisheries in Tonga, we will find that efficiency is more or less the same. The technical efficiencies
of the different types of fishing activities remain unchanged. They used different technology, exploit different resources, and yet technological productivity is more or less the same. Then we look at the monetary returns.

There is a substantial difference between economic returns and technical productivity. The question is why? Because at this level of production there is no separation between the ownership of the resources and the production process. Once the two are separated, then the rate of returns will be the reverse. In the case of Pacific island countries, the lesson that we learned from this, if we take our tuna resources, is that a separation exists between the resource ownership and the production process. The industries or those who exploit the resources are fundamentally different from the ones that own the resources. Once that separation is made, it can be seen that the returns or the rents or whatever economic returns for the resources are going to remain very low in the long run, if not forever, until the resources are completely exhausted. An examination of the micro-level in our own traditional cultural kinship level shows that there is no separation there. The lesson then is this: if we are going to design policies for the utilization of resources, whether it is fisheries or mineral resources, we have to have a long-term plan on how to build the production process into the countries. As long as the two are separated, we cannot expect any substantial contribution from the utilization of resources to economic growth in our own countries.

Let us move on to the strategic options for sustainable development. There are three questions with regard to the strategic options for sustainable development in the islands. (See Figure 2.)

The first one is which aspects of sustainable development should be left for our cultural values and beliefs. There are basically three strategic options for the government to consider. Along from a to c there is a tradeoff between the government and the market with respect to the following questions: how much the government should regulate the economy and how much should be left for the market forces? The recommendation that we are familiar with from the World Bank and the IMF, of course, is we have to move toward the right. Fewer government interventions and more
market forces; privatization, commercialization, deregulation are typical policies of that tradeoff moving now to the market. What we do not often realize is that the emphasis on the market forces undermines our cultural values and beliefs. In other words, a policy designed purely for economic growth nevertheless has a tremendous impact on culture and values.

We can ask the question that when we move from $a$ to $b$, for instance, (the combinations are different at every point) how much of the government, how much of the market forces? We can ask the same question, if you move from $a$ to $c$ how much should the government intervene? For example, in family planning or regulation of population, how much should we leave for our cultural
values and beliefs? Those are very tough decisions for the Leaders to make. And if we move from b to c we can ask the question, what is the tradeoff between our cultural values and beliefs and the market mechanisms? Regarding kinship obligations, every economic report says we should save and accumulate; that means we should move the cultures more and more toward the market mechanisms and use cultural values and beliefs less and less. There is no one answer but that is why we need Leaders. The optimum mix is what I mean by the direction as opposed to the emphasis on the rate of development.

What is needed is some means of developing the form of interdependent strategies, implementing the interdependent priorities, and assessing the interdependent sensitivity of policy alternatives. And this requires a certain type of institutional framework with unifying leadership and empowerment to undertake this task. Unfortunately, the development planning framework, which is commonly followed by many, is not sufficiently broad based and efficient to deal with the interdependent dimensions of sustainable development that I mentioned earlier. The economic development planning strategy, which relies on the coordination of different parts of the plan or different projects if you like and which is currently adopted by many Pacific island countries, can be effective only if it has a considerable amount of resources and control over both public and private resources. It may be more appropriate for a government that has complete control over the sources of development. Thus it is important for us to say we are proud we do not have such a system in the Pacific island countries. Furthermore, the planning strategy cannot account for the important dimensions of sustainable development in the Pacific community and the underlying interdependent difficulties that might be encountered in pursuing the government policy. This paper does not suggest that the central planning framework has no utility; rather, the alternative conceptual framework developed in this paper suggests that pursuing sustainable development without regard for the interdependent political, cultural, technological, environment, and population requirements is not wise. Moreover, it is not going to improve the quality of life in the islands.
Finally, there is the broad challenge of translating the interdependent relationship among the dimensions of development in a general strategic approach that involves management of sustainable development at the national level in the Pacific islands. There is, however, one important solution to this problem that the governments may chose to adopt. The governments may consider establishing a National Interdependent Development Council with unifying leadership and empowerment to develop government strategy and policies toward a set of interdependent dimensions and priorities of sustainable development for the country as a whole. The proposed National Interdependent Development Council has three primary functions: (1) to develop interdependent policy based on the preferred priorities of sustainable development of the country, (2) to formulate the interdependent strategies for implementation of policies, and (3) to evaluate the level of sensitivity to issues of interdependent projects for actual development. This new approach to development, or alternative approach if you like, consists of the analysis of interdependent dimensions of projects at the national level where the national interdependent policy is put in place. An interdependent policy is defined as the source of action selected in the light of interdependent dimensions to guide the implementation decisions. The National Interdependent Development Council is a necessity because the entire approach to sustainable development must be based on unifying the interdependent relationships among the priorities rather than on the general individual projects with which we are familiar.

The macroeconomic framework and input-output planning model are examples of the general framework that focuses on individual projects or coordination of the individual project’s approach. The preoccupation with the general individuality or independent relationship of the projects in each area is the core of the current conventional wisdom that many governments embrace. This approach has led to the fragmentation and compartmentalization of the government approach to development. Therefore, the proposed National Interdependent Development Council may be seen as a new framework to replace the current planning approach with its institutional structure of a usually weak project coordination committee. The proposed
framework can focus on the interdependent dimension as the crucial unifying driving force of sustainable development. In contrast, the current planning approach tends to focus on the coordination and review of a variety of independent projects in the process of development.

As pointed out at the beginning of this paper, the kind of framework, which is needed to provide useful insights and to assist our policymakers to make choices among alternative courses of action, must be able to specify and unify the interdependent relationships in all the major dimensions of sustainable development—not just the economic, population, and environmental dimensions. With this understanding in mind this paper concludes that the pursuit of sustainable development in the Pacific island community is unlikely to succeed unless the government has at its disposal a national institutional framework such as the proposed National Interdependent Development Council together with the framework of the interdependent dimensions of development that I have just demonstrated in general terms.

Now the Leaders' utmost attention must be devoted to the need for rethinking and redirecting their approach to the improvement of the peoples' quality of life on a sustainable basis. If, for example, we are sailing from Tahiti to Fiji, but we discover we are actually sailing to the Cook Islands, we do not correct this mistake by reducing the speed of the boat. We correct it by changing the direction, and that is why this paper places the emphasis on the direction of rather than the rate of growth. Each Pacific island country is unique, and each Pacific island country may choose to follow a different path of development. But when the direction of development of any country needs to be changed toward sustainability, the solution is clear. The change must begin with an adjustment in both the direction in and institutional framework of development.

DISCUSSION

PRIME MINISTER HENRY: I would like to extend my congratulations to Dr. Halapua for what I thought was a very succinct and a very clear description of a new approach to the whole
question of economic development. In my view it is a truly brilliant presentation of what clearly appears to be a new approach to the whole question of economic planning and how we should conceive of economic growth and what development really is. The interesting thing is the emphasis that he has placed upon using those traditional or even cultural props that exist in our communities upon which our communities depend so much and how those props can serve as supporters of our economic growth policies.

We in the Cook Islands have re-examined our position on this subject, and we are beginning a little experiment in that we are now about to bring into legislation a form of local government that is different from the current system. We are trying this out in two places, one on a small island and another one in a main district in Rarotonga. Palmerston Island has a very unique system of government. The original William Masters married, if I could use that phrase, three women and therefore there are three clans to the Masters family. But he was able to create a management system founded upon that family kinship system. We are in the process of legislating a local government system not on the basis that is found elsewhere in the Cook Islands but rather a system that is specifically designed according to the structure that has been set by the Masters family in Palmerston.

And on the main island of Rarotonga itself we are looking at utilizing the traditional structures of management, the political structures of the past as a means of building a local government. All in recognition of the fact that wherever the traditional leaders have been involved in the past, considerable progress could be expected. A simple example of that was when the missionaries arrived in the Cook Islands the very first thing that they did was to convert the chiefs. They drew a clear conclusion that if the chief was converted the tribe would follow, and that was precisely what happened. Therefore almost overnight Cook Islanders became God fearing people because the
chiefs were converted. The chiefly system worked for them, and we believe that in the political setup in the Cook Islands the same could happen.

Dr. Halapua talked about how some of our cultural practices tend to be ignored when we factor in our economic policies; his point has been quite revealing. We have come from certain schools of economic thought with that particular school rammed between our ears, and when we talk about economic development we view it from the schooling that we have received. And when we get back to our own communities we see all these other things that Dr. Halapua has referred to but we do not really see them. We find ourselves unable to factor them into our planning process, and this presentation has been very enlightening.

We have decided among my own team that when we return, we will establish our new development authority, and it will be called The National Interdependent Development Authority. How about that!

HONORABLE SIR KIPALAN: It was a well prepared document presented by Dr. Halapua. In my country there is a regular change of the government, and we are elected for only five years. I want to deliver goods and services to my people within that five-year period. Otherwise I am voted out of the government within this period. My problem here is, Dr. Halapua, how do I apply the theory you presented in a most practical way so that I seem to be bringing development back to my people so that they can vote me in again in the next election?

PRIME MINISTER HENRY: That's sustainability of a different order, Mr. Minister.

HONORABLE SIR KIPALAN: My second question is, because we have only five years and we can be voted out within two years, so we must bring development and savings to the villages; only then can we survive. If I follow this model I will surely be out of politics, and that is what I am faced
with now. How do I apply political will toward your ideology so that both can work?

DR. HALAPUA: Let me assure you that this model will improve your electability and perhaps marketability. I suggest that your technical staff bring this information together because, as I mentioned, they have been in different filing cabinets. In the system you will find that these boxes demonstrate the way we think; we tend to compartmentalize thinking. Based on my own analysis and thinking (not entirely my way of thinking but after reading the literature and doing the research), I believe that a decision will be much better, it will be far more effective if the other factors are taken into account, which means that the probability or the risk of the project failing is minimized. And when the risk is minimized the electability increases. It is the information. It is the way the analysis should be presented to the decision makers. It should be coherent. It should be multidisciplinary and placed right in front of the decision makers of the government. Then the decision will be based on informed information that is well researched and well presented. I do not think that this will take more than five years. As I mentioned earlier, in this approach the emphasis is on direction; it is not on the rate. In no way does this model recommend a reduction in the speed of development. It is a redirection, and a redirection based on our own analysis will improve the rate of success of the project and programs that the government puts in place.

DEPUTY PRIME MINISTER KAVALIKU: The issue of interdependence as stated is an important one and in many ways critical in our thinking. But I would like to comment that the issue of interdependence is not just between those sectoral issues, it is also within those sectoral issues themselves. It is also between decisions made over a period of time. It also depends on whether you get elected in five years or get thrown out in three years. It also involves issues that come into play when you have natural disasters. So there are various stages, various levels of interdependence. It is not just sectoral interdependence, but there are others.
GOVERNOR JOSEPH ADA: I would also like to say that the presentation made by Dr. Halapua was an excellent one, but I would also like to add one more ingredient to sustainable development in that it should consider the function and the role of a metropolitan government with respect to its territories especially independent territories. I want to cite our case in Guam where the federal government has been a hindrance in our economic development. Back in the early 1960s and early 1970s the government of Guam was creative enough to have put up a garment factory and a watch factory, in fact more than one watch factory, and I think approximately eight garment factories were established in Guam. Our people were employed in the hundreds; the government of Guam was making millions of dollars. We were exporting into the United States US$40 million worth of garments and watches. The success story was shattered overnight because the powers behind the garment industry and the watch industry in the United States did not want any competition from Guam. Mind you, we were exporting US$40 million worth of garments and watches, and we import in excess of US$200 million from the United States. Insofar as the balance of trade is concerned, it is a deficit to us and it is a plus to them. But the worse part of it is the fact at the same of time Taiwan, Korea, the Philippines, and Japan were exporting into the United States in excess of US$5 billion of garments and watches. I ask you, where is the interest of the metropolitan government with respect to its territory. It hurt us. They changed the rule of the trade policy with respect to Guam and shattered the dream, the security, and the dignity of our people who were gainfully employed.

One of the issues that must be addressed by this Conference is where do these countries stand; they should not have a double standard when it comes to trade and commerce. They underrate us and look straight through us instead of at us when it comes to these types of relationships. I think it is about time that we unite as island nations because all of us in one way or another will be impacted in the future if not now. I know that Guam is
impacted right now. And I hope that Dr. Halapua can put this concern of Guam in its proper perspective and perhaps deal with that at a later time and perhaps sooner so that there is greater emphasis with respect to all of us here. After all we are not asking for something that is free because all of us here in the islands and in the Pacific have something to give as well. We have our resources, the ocean resources that are plentiful that we share with big metropolitan governments. So it is not a question of one way. I think that the issue now is what is good here for the Pacific, what is good for mankind. Every world leader now is saying we must embrace each other in a new world order, but when it comes down to the practicality of it, it is not there and we are left behind, especially the independent territories. I am very sick and tired of learning the democratic system. We in Guam were taught so well about the democratic system, about free speech, economic liberty, human rights, and self-government. I ask the question when is it going to be implemented. When? I think we have learned enough and I think it is time for implementation. I ask this august body for whatever contribution that you can make to help some of us achieve our goals and aspirations that would ultimately benefit all of us.

PRESIDENT FLOSSE: On my behalf, I would like to tell Dr. Halapua that I have listened to his presentation with great attention and that, of course, we must integrate at any price—if we do want to preserve the future—the fact of environment in development. It is absolutely necessary especially for our small islands.

There is the geographical environment, and there is the human environment and all its aspects. It should not happen, when we talk about tourism for instance, that the population on an island becomes lower than the number of tourists, that they completely disappear in the crowd. We then risk having rejection reactions. As you said, effectively and equally, we have to introduce a cultural aspect in this development. And it is important for us who
have our own culture, which carries a very strong feeling for us.

But we should not, under the pretext to protect the environment, and also under the pretext to protect the culture, come to the point where we oppose development, but, unfortunately, that is what is happening sometimes.

And that is why I would like to say to my friend from Guam that we in French Polynesia are not at all in the same political situation that he is, because everything related to development, everything concerning investments, everything concerning internal trade in French Polynesia, is of the territory's competence.

Any project of development is authorized or not by the government of my country. The laws and the rules are fixed by our Territorial Assembly, and France, under no circumstances, can oppose a project authorized by my government in accordance with the rules fixed by our Territorial Assembly.

Therefore, we are not in the same situation as you. Everything that concerns internal investments is the territory's competency. And we have even obtained, thanks to our efforts in the French Parliament, that major French companies can invest in our overseas territories, including New Caledonia.

The funds that normally should be paid to the French government when a company's profits are taxed can now be invested in French Polynesia. For instance, a company head has a profit of US$1,000. If he has to pay about 40 percent in taxes, this company head can invest this US$400 in French Polynesia instead of paying it to the French budget. Consequently, the French government can encourage the French investors to invest in our country.

But, unfortunately, here inside the country, some political groups, in the name of the environment and in the name
of culture, slow down our islands' development. We have, for instance, opportunities to invest in tourism that are jeopardized, paralyzed, for reasons that are only political.

PRIME MINISTER PAENIU: I would like to join the former speakers as well and congratulate Dr. Halapua for the very challenging presentation to this Conference. I think Dr. Halapua has covered a lot of very important points.

I would like to elaborate further and extrapolate the point that has been made by the Minister from Papua New Guinea. Our own government systems today are very irrelevant to our own traditional governing systems. We make policies, and we try to implement them. When it comes to voting, people do not vote on principles and platforms, they vote on families, cultural ties, and so forth. Our own local system, for instance, in Tuvalu, which was imposed upon us when we were a colony, is increasingly being found by ourselves to be very irrelevant, and hence it is a challenge. Perhaps this Conference should adopt the model that has been presented by Dr. Halapua as the basis for additional work.

I think PIDP is going to have a full work program over the next three, five, or ten years because the matrix appears very attractive and, in theory, pragmatic, but let us now see the actions. I suggest that if the research is fully undertaken then let us go to the practical level and conduct training workshops at national levels or sub-regional levels and further use the experience that we have in our respective countries in addition to the resource that PIDP now has.

I recommend that it becomes a mandate for the Secretariat of PIDP to do additional work and apply the principle because I think we all agree. I am sure that many of us have agreed that when we start off we talk of government plans, we talk of welfare economics, we talk of economic growth, we talk of GDP—all of which are becoming less relevant now in the islands. Now we are talking about
human development with the concept that UNDP is promoting, and maybe it is very highly compatible with what you are describing, Dr. Halapua. The interdependency of the different sections within a society or an economy all focus on the human element in the Pacific, which Dr. Halapua has outlined. We in the islands should apply the research in our own decision-making process.

PRESIDENT FLOSSE: We have a proposition from our Tuvalu colleague to do addition in-depth research. May we have Dr. Halapua’s comments please?

DR. HALAPUA: In this model there are three levels. The first has to do with the priorities set by the government. The function of the researchers is to take those priorities and put them in this framework.

The second level is to provide the analysis within the context of the model or the framework, and those analyses will provide basic information to the decision makers with regard to the different impacts or the relationship between the policy set up by the government and the likely impact on the various dimensions or various aspects of the society.

The third level has to do with the analysis of the sensitivity of these different areas to the policy set by the government. Thus I am suggesting that, because the framework is already there, the analysis can be provided not just by PIDP but also by the government if it instructs its own technical staff to do the analysis.

But PIDP will be delighted to continue along that line and provide perhaps a more analytical framework as an example or a guide for national governments as to how to do this kind of analysis, and we will be more than happy to do that. And that is one of the reasons PIDP has quite a multidisciplinary team. We have economists, we have sociologists, we have anthropologists, we have a demographer, and it does not mean that each one works in his or
her own little box and forgets about the others. It means that we have to come up with an interdisciplinary way of thinking and provide analysis and information to the governments that we serve in the region.

DEPUTY PRIME MINISTER KAVALIKU: I suggest that perhaps the best action to take at this time is to let the drafting committee make the appropriate draft and submit it to us for recommendations.

PRIME MINISTER PAENIU: Yes, let the drafting committee resubmit it to the Conference for final approval and endorsement.
NATIONAL ISSUES OF SUSTAINABLE DEVELOPMENT: STATEMENTS BY HEADS OF DELEGATIONS

chaired by
The Honorable Gaston Flosse
President of French Polynesia
Chairman of the 4th Pacific Islands Conference of Leaders
AMERICAN SAMOA

CULTURAL VALUES AND ECONOMIC DEVELOPMENT: THE CHALLENGE

The Honorable A. P. Lutali
Governor

Prime Minister Sir Geoffrey Henry, President Gaston Flosse, fellow Pacific island Leaders, distinguished guests, ladies, and gentlemen.

I le ua sau le va’a na tiu, tau mai le va’a na tau, a o lo’o mamau fo’i lago o le va’a na fao afolau. (Just as the shark fishing canoe joined with the war canoe to complete the unfinished canoe, today we come together to complete our unfinished business.)

I want to share with you some things that we in American Samoa have learned in trying to encourage appropriate development in our islands. Many people in the world consider the places where you and I live to be paradise. We have the warmth of the sun and the bounty of the ocean. We have generous amounts of rainfall to meet our needs. Our reefs, taro patches, banana plantations, and gardens provide nourishing food year round, and other trees and plants provide materials vital to our culture, arts and crafts, and our way of life.

Our people have lived for thousands of years on these islands, in relative isolation. But now our way of life is being challenged as never before:
challenged by a world that judges a person’s success in life by how much money they make,

challenged by international business practices that force nations to compete to see who can sell their resources at the lowest possible price,

challenged by a consumer ethic that threatens to replace our traditional values and our way of life with the desire for wealth and possessions,

challenged by increasing global competition, and finally,

challenged with providing jobs and economic development to satisfy our peoples’ needs and desires without losing our cultural identity.

Our cultural heritage is a non-renewable resource. We must encourage the kind of economic development that does not jeopardize it. To do that, we have to create a new way of doing business.

We have all seen some of the undesirable side effects of poorly planned economic development projects.

In some cases, the projects brought outright harm to the environment.

In some cases, companies’ demands for tax breaks negated the benefits of development.

In some cases, the projects furnished only low wage jobs for the local people, with all the high paying jobs going to outside people brought in by the company.

In some cases, so many low wage immigrants were brought in to work that immigration problems were created and a severe strain was put on local roads, water, electricity, and sewer systems as well as health care and education systems.

And often the overall effect of the projects was to erode the way of life of the people.
It is not always easy to foresee these effects—many are obvious only after they have happened. If we are careful and if we pay attention, we can avoid making the same mistakes that we and other countries have made by establishing sound criteria for evaluating economic development projects.

In American Samoa we have one rule: economic development must be compatible with our culture and must produce a net benefit for our people. We are not interested in development that damages our culture, imports workers from other countries, makes huge demands on our infrastructure, or harms our environment. If a development project brings these things, then we are better off without it.

In American Samoa we value our culture and our way of life. We realize that the world is changing, but we also realize that change simply for the sake of change is not good.

Regionally, we must define economic development in a way that makes sense for us. We must look at economic development within our island communities:

- developing our children through education so that they have the tools they need to compete and succeed in this rapidly changing world;
- developing support systems that encourage our people to start their own businesses and teach them the skills to be successful;
- developing loan and tax incentive programs that benefit local business owners, not just outside investors;
- and developing a community awareness that supports enterprises owned and operated by local people.

We must look at economic development within the region:

- We must find ways to compete as a group—like the Europeans with the Common Market, the countries of the Middle East with the Organization of Petroleum Exporting Countries (OPEC) and the North American countries with the North American Free Trade Agreement (NAFTA).
• We must work on sharing training resources and other kinds of professional expertise within the region so that we all benefit.

• We must create new organizations centered around financing for regional economic development projects.

• And we must look at developing joint ventures with other Pacific island nations.

We must mobilize our own particular social and cultural strengths, and we must have faith in what we ourselves create. We do not always need to look to the models provided by more developed nations—we have our own models within the framework of our cultures.

It is up to us to define economic development in our own terms and at our own pace. We should view our traditions and our cultures as a resource.

Sustainable economic development is possible and within our reach. Our cultures have survived for thousands of years. They have given us guidance and direction in the past; they can provide guidance and direction for our future.

Sustainable development is defined as development to improve the quality of life of current generations without compromising the ability of future generations to meet their own needs. Overall, the quality of human resources is critically linked to economic development. Population, human and economic resources, and economic development are part of the same issue and necessitate the implementation of integrated planning. Environment and development are parts of an indivisible whole and consequently must be dealt with together. Nations cannot rely solely on one resource or use at a time but must also consider the effects of one resource or use on other resources, uses, and the environment. The notion of equity in the distribution of the benefits from development: intra-societal equity, intra-generational equity, and international equity.

Faafetai and soifui.
COOK ISLANDS

The Honorable Sir Geoffrey A. Henry, KBE
Prime Minister

It is a great pleasure for me to make a few remarks about the theme of this Conference, "Sustainable Development and Population," insofar as it relates to the Cook Islands. In the few minutes available to me, I would like to touch briefly on the importance of sustainable development for my government, highlight a few of the more significant areas currently the focus of our attention, and conclude with comments on key population factors of critical importance to our developmental efforts.

Sustainable Development

It was a little over a year ago that some of us in this room met in Rio de Janeiro, Brazil, to take part in the United Nations Conference on Environment and Development (UNCED) and to pledge our continuing efforts to achieve sustainable development. We had all come to realize as the World Commission on Environment and Development in their seminal report, Our Common Future, observed,

Many present efforts to guard and maintain human progress, to meet human needs, and to realize human ambitions are simply unsustainable— in both the rich and poor nations. They draw too heavily, too quickly, on already overdrawn environmental resource accounts to be affordable far into the future without bankrupting those ac-
counts. They may show profits on the balance sheets of our generation, but our children will inherit the losses.

This situation requires us to make a fundamental shift in direction; from actions that result in our consuming vital capital resources and inflicting irreparable damage on our environment to the adoption of all-pervasive national, regional, and global policies and strategies of sustainable development. As the World Commission points out,

Humanity has the ability to make development sustainable—to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs. The concept of sustainable development does imply limits—not absolute limits but limitations imposed by the present state of technology and social organization on environmental resources and by the ability of the biosphere to absorb the effects of human activities. But technology and social organization can be both managed and improved to make way for a new era of economic growth.

Sustainable development, then, must be the basis of the emerging New World Order, and, toward that end, the management and improvement of our technology and social organization constitute the main challenge facing all of us here today.

The Cook Islands

My government has, in fact, adopted sustainable development as one of the Cook Islands' own all encompassing national objectives. With that end in view, specific strategies have been and are being formulated, aimed at developing our key economic and resource sectors, while at the same time addressing the major social problems facing our nation.

While it is beyond the scope of this country statement to go into detail on each of our initiatives under way to achieve our objec-
tives, a few observations should serve to illustrate the direction in which we are heading.

As I am sure is the case with all of us sitting around this table, my government places great emphasis on the development of the private sector of the Cook Islands' economy. At present, however, our private sector is very small and perhaps too inward looking. The important regional research work done by PIDP since 1990 in this area as exemplified by the book titled *Private Sector Development: Policies and Programs for the Pacific Islands*, published just last year, will prove a most useful guide and tool for my government to use as it continues with the formulation and implementation of ever more detailed strategies to promote the expansion and strengthening of the sector, including encouraging overseas investment. In the latter regard, and in response to a specific request from my government, PIDP carried out a very useful study on our national investment incentives regime that will be relied upon heavily in updating our entire investment program in the months to come. For that assistance we are most appreciative.

As is well known, the Cook Islands' leading economic sector, now and for the foreseeable future, is tourism. From less than 1,000 tourists per year in 1971, visitor arrivals have risen to around 50,000 today and are projected to increase to about 70,000 before the turn of the century. There were 691 rooms available for visitors in 1990, and with the Sheraton Hotel due to open this year, the Cook Islands as a tourist destination will have not only an additional 200 rooms but, even more important, a complete range of visitor accommodations capable of attracting even the most discriminating traveler.

Like all Pacific islanders, we in the Cook Islands look to the sea not only for our sustenance but also for our economic resources. Of traditional importance, of course, have been the living marine resources of our waters. Since the Exclusive Economic Zones (EEZs) of our region became a reality in the 1970s, my government has been seeking to cooperate with its neighbors in subregional fishing ventures. It is very pleased, therefore, that a private firm from right here in French Polynesia has been working closely with my government on the development of just such
a joint venture. Having two of the larger EEZs in the South Pacific, we are confident that when all of the details have been finalized, definite, tangible benefits will accrue to both French Polynesia and the Cook Islands.

For some time now, we have also been aware of mineral resources on the seabed of our maritime zone. Again in response to a specific request from my government, PIDP, in conjunction with the Mineral Resources Institute of the University of Hawai‘i and South Pacific Applied Geoscience Commission (SOPAC) subjected those resources to a detailed analysis, and we are optimistic that the next century will see harvesting begin on what looks to be a most promising resource.

While we would modestly suggest that considerable strides have been made in recent years in developing our economy and providing services to our people, my government at the same time recognizes that not all parts of our country have benefited to the same degree and in all respects. Although most islands now or will shortly boast world class communication facilities, for example, the outer islands have not enjoyed the other benefits of development currently taken much more for granted on Rarotonga, the main island. While we will naturally continue our developmental efforts on the main island, increased attention is now being given to enhancing the quality of life in the outer islands, where a significant proportion of Cook Islanders live and would like to continue doing so. This will include not only improving infrastructure but also strengthening local government bodies and providing essential social services, especially health and education.

Woven through each developmental activity undertaken is a concern to protect and even, wherever possible, to enhance the quality of our environment. In 1975 our first detailed conservation legislation was enacted, and since that time my government has had officers responsible for ensuring that practical steps are taken to educate the people on the advantages of protecting the environment. They have also become increasingly involved in the project formulation process as well as in the conduct of environmental impact assessments for national development projects wherever required.
Population and the Cook Islands

As in all island countries represented at this Conference, the key to our developmental successes has been and will continue to be our people. We are therefore placing great emphasis on human resource development in its various aspects so as to make optimum use of the multifarious talents of all Cook Islanders. As the World Commission, to which I referred earlier, observes,

Human resource development is a crucial requirement not only to build up technical knowledge and capabilities but also to create new values to help individuals and nations cope with rapidly changing social, environmental and development realities.

In this respect, however, we are facing certain constraints; not only because the population of the Cook Islands has always been relatively small, but also because, unlike most of the Pacific islands, our population suffered a serious decline through emigration beginning in the early 1970s from which it has only in recent years begun to recover.

Since the Cook Islands became a state in free association with New Zealand in 1965, the country's population has been characterized by:

- a period of slow but increasing growth leading to a population peak for the century of 21,323 in 1971;
- a period of rapid but decelerating decline following the opening of the international airport on Rarotonga in 1971 until 1986 when the population "bottomed out" at about 17,600; and
- the present period, which has seen a rapid population rise to over 18,600, a 5 percent rise over 1986, due partly to Cook Islanders returning from overseas and partly to a natural increase.

During the same period, there has been a steady emigration of Cook Islanders from the outer islands to the main island. In 1961
some 53 percent of all Cook Islanders lived in the outer islands; by 1991 that figure had dropped to 41 percent.

Because of these developments, my government has instituted a population policy aimed at achieving a steady, balanced increase in the country's population and allowing those living in our outer islands to remain there in well-paying jobs and able to enjoy a much better standard of living than at present.

In pursuing those objectives, we realize that population growth must be consistent with our developmental requirements and the country's absorptive capacity, the need to prevent unemployment, and our ability to provide essential services for our people.

To achieve our goal, we have devoted considerable time to encouraging Cook Islanders to return from overseas to settle. While we are particularly anxious to entice back those with essential skills needed for development, we are also pleased to welcome home our older people who have lived in New Zealand and elsewhere for many years. In this respect, we feel strongly that the 100 percent repatriation of superannuation entitlements for all Cook Islanders in New Zealand would make a significant contribution toward achieving our objective.

While encouraging our own people to return, we are also seeking to promote the natural growth of our population at a rate commensurate with our ability to provide them with a steadily improving standard of living. In this regard, we have targeted for special attention problems relating to maternal and child health and family planning such as infant and maternal morbidity and mortality and teenage pregnancies. We are most grateful for the willingness of the UNFPA to cooperate with us in numerous projects in these areas, and we are confident that positive results will be shown in the very near future.

At the same time as we are working toward an increase in our overall population, we are devoting considerable time and effort to manpower training. We are in the process of establishing a Human Resources Development Unit that will be responsible for formulating and coordinating a national training plan. That plan
will address two critical needs: training our young people about to enter the labor force for the first time to fill positions where skills will be required well into the 21st century; and retraining, wherever necessary, those already employed so that they can learn new skills and assume more productive positions, allowing us to phase-out non-productive posts through restructuring.

Development, we have seen, is a multifaceted process demanding not only an agility to handle many different operations simultaneously but also a sensitivity to the environment beyond anything demanded thus far in human history. While the onus is on each of us to play the leading role, we are pleased that we will be able to call upon the valuable assistance and advice of PIDP, UNFPA, and other regional and international institutions to assist us in our efforts.
FEDERATED STATES OF MICRONESIA

The Honorable Resio Moses
Secretary of External Affairs

Thank you, Mr. Chairman. Excellencies and ladies and gentlemen.

The Federated States of Micronesia delegation is pleased to participate in this Conference, not only to join in the review of the Pacific Islands Conference and its program at the East-West Center to see how the two have progressed since the last Conference three years ago, but also to work with you in enunciating a cohesive Pacific regional perspective on the subject of sustainable development and population. I am, therefore, honored to present the views of the Federated States of Micronesia to this forum of Leaders and movers on this very important subject of global scale.

In the Federated States of Micronesia, the issues concerning sustainable development and population can be limitless, depending on how one wants to take the discussion. It is not my purpose to suggest that we at this Conference can deal with the issue of sustainability of development and population in one sitting, because I know we cannot do that. But I believe that we can agree that the subject is worthy of attention now and in the future. In fact, for as long as there continues to be human existence I expect that it will be the case. On these islands there ought to be a conscious regional effort to see that there is sustainability in any development that we undertake individually or collectively.

The Pacific islands remain the dream of many who need to get away from the hustle and bustle of modernization, but that may not be the situation for long if the need for sustainability is not
firmly imbedded in the minds of men and women of the Pacific and practiced as preached. Our islands are no longer untouched as we ourselves seek to influence change more quickly for our short-term benefits. We have changed in many respects, some to the point where the balanced existence that we have maintained with nature for centuries is beginning to crumble. These are the realities in our islands that we must deal with to stem the negative impacts of the unsustainable practices of men.

My government, like other small island states, has sought world forums to address the threat of sea level rise and other dangers that occur as the consequences of the unsustainable activities of humans. Since the global Summit in Rio the world has never seen such intensity and excitement as people throughout the world came together to press further on the issues of sustainable development including those that relate to population. Even the Pacific islands have been and continue to be involved in post-Rio activities, which is a very commendable move. My government encourages this type of involvement all the way to the 1994 conference in Cairo. However, with the active participation of the Pacific islands in the preparatory meetings and conferences there is an uneasy feeling that the Pacific islands may be lost in the political melee involving the more diplomatically influential and larger Asian countries. It is therefore my government’s view that this meeting focuses in on the Cairo conference with a view to having quality input into the documents now under preparation for this conference. To do so now could not be more timely with the presence of the primary person overseeing the entire preparation for the Cairo affair, Her Excellency Dr. Nafis Sadik, the Secretary-General for the International Conference on Population and Development.

With limited time available at our Conference I suggest that PIDP through the Standing Committee be tasked to assist in putting together a cohesive statement of Pacific significance for consideration in Cairo. This will guarantee the needed attention to the Pacific islands as opposed to the marginalization that we often receive when grouped together with the more powerful Asian community of nations. It is therefore my government’s view that the Standing Committee be organized as quickly as possible to set
the programs for PIDP. The sooner PIDP can address the specific topics of population and sustainable development from the perspective of the Pacific islands, the better are the chances for the Pacific islands to be understood in the world forum. Hopefully, actions prior to the Cairo conference may influence the agenda to make it more relevant and more appropriate to Pacific peculiarities and sensitivities.

While we are concerned with how the views of the Pacific will fare in these important global undertakings, the question of how we are doing with sustainable development at home is equally important. For this reason my government truly values this Conference in the sharing of experiences throughout the Pacific and from the Leaders individually. We have worked well together on important issues of global warming and its effects on our islands, and similar attention should be given to other equally important issues affecting our existence in the Pacific. Sustainable development in all of its implications on population, on resources, on the environment, and on our very survival should and must receive the highest, the fullest, and the most careful consideration by the Leaders of the Pacific.
The Honorable Major-General Sitiveni L. Rabuka,
OBE (Mil), MSD, OStJ
Prime Minister

We are grateful for the presentation by Dr. Sadik that there is still some hope. We are looking at not only numbers, but also at this new term, which used to be standard of living, now “quality of life.” We are all speaking the same language now as we go toward the 21st century. It is more important than just keeping a check on numbers. We looked at education, not only classroom education but also education in the widest sense of the word and the importance of educating our womenfolk. Perhaps, therein lies the answer to a lot of the problems we face in controlling or ensuring that we give our population the right quality of life. I believe, contrary to popular opinion, that we live in a woman dominated world. But I do not think that a day goes by without women saying give us a fair chance, give us a fair goal. When we are born into the world the first hands that control and comfort us, console us, hence spank us and feed us and guide us are the hands of our mothers. They are our first teachers. They are our first providers. They are the first missionaries that talk to us about God. As we grow up they become the guiding lights in our young lives. When we get married they become equal partners so I believe that the men need a conference such as this where we can all become men and say that nobody else controls our lives but ourselves. But for those colleagues who are here without their spouses it would be very interesting to find out their telephone bills and how many times they have called home just to say that things are okay. Isn’t that reporting back to the boss?
We know the problems, we know the solutions, but we are here as Leaders and perhaps the difference as to whether these conferences that we go to as Leaders have any meaningful impact on our people depends on our own political will to commit national resources, to adopt solutions to the problems. We heard earlier of the concern that if we go back and do what is right we may not be voted back in. Perhaps, therein lies the problem. Dr. Halapua, I would like to thank you very much for your presentation.

We, in Fiji, have gone away from development plans. We have gone into strategic planning. It gives us the flexibility to keep abreast with changes and times. It is a new concept in the sense that it has been adopted by the government as our problem solving system and method and concept. We believe that by this strategic concept we can keep abreast with changes. In other words, we must sustain the development of the problem solving, particularly the solutions to the problems so that we keep abreast with the changes.

People have said that we live in an ever diminishing world. Not so many years ago our sphere of interests was only the Pacific and the Pacific Rim countries. Our area of influence was less than that. Now our sphere of interests is the whole globe. Small as we may think we are, we could also say that our area or sphere of influence is the whole world. We have equal voices in the United Nations. Although my colleague from the Federated States of Micronesia is worried that we may not be heard in Cairo, I believe we can. I believe together we can formulate solutions for the problems that we have. But I believe that each solution to these universal problems must be uniquely derived from the land, of its culture, of its people.

Recent population projections in Fiji indicate that in net figures some 13,500 young people join the labor force each year. Allowing for retirements and other withdrawals, there is a net addition to the labor force of about 8,500. Of these new entrants, some find jobs in paid employment, and some are employed in the informal sector. Many, however, are unable to secure any kind of employment and lack the training required to compete in the labor market. The problem of unemployment particularly affects those in
the 15- to 24-year age group. Of all those unemployed in Fiji, 75 percent is estimated to come from this group. Such high levels of youth unemployment cannot be allowed to continue if national stability and well-being are to be maintained in the future. This is, therefore, a major challenge to the government.

To provide gainful employment for these new entrants to the labor force will require that Fiji's economy should grow at around 6 percent a year.

As the best determined strategy to stimulate economic growth and expansion, we are focusing our development policies and strategies on the private sector, with priority emphasis on export-oriented economic activities.

To support this, the government is actively promoting policies of deregulation, corporatization, privatization and divestment, and increased expenditure on capital infrastructure projects in the public sector.

We are also promoting private capital investment, and, to assist in this process, we have just simplified investment clearance procedures and are offering enhanced fiscal and concessional packages for private entrepreneurs.

We are also actively interested in bilateral and multilateral schemes to promote trade through special access and pricing arrangements.

Through these and related measures we hope to achieve the sustained economic growth that we need to accommodate our population growth and, at the same time, address such associated phenomena as increased urbanization.

Given these considerations, Fiji is very pleased with the emphasis and relevance of PIDP program and activities in:

1. undertaking applied research on private sector development;
2. developing the United States/Pacific Island Nations Joint Commercial Commission both to promote U.S.
private sector investment in Pacific island economies and to increase and expand market opportunities in the United States for Pacific island exports, and

3. undertaking training and other human resource development activities in various fields of importance to Pacific island countries.

There is another aspect of PIDP's applied research activities that we are pleased about. This is the study of private sector development projects, including the application of new technology, in all its relevant aspects, taking also into account the cultural context in each Pacific island country. I understand that this is the approach that PIDP has adopted in its study of the application of a new integrated renewable energy system in the Federated States of Micronesia.

We in Fiji are keenly interested in this holistic approach in our current efforts to increase the participation of our indigenous people in business and commercial activities. It is often stated that our cultural values and traditions are an impediment to our success in undertaking business ventures. But need this be so? Would it not be possible to undertake studies to identify success stories where cultural factors have been a major contributor to the success?

All this should serve to remind us of the importance that we in each of our island countries attach to promoting development in its total sense. By this I mean not only the material well-being of our people but also recognition of the importance of non-material aspects such as cultural and spiritual values. For this reason, I am very pleased that this is recognized in the papers on sustainable development that Drs. Halapua, Hooper, and James have prepared.

As a final point, I believe that in any discussion of population growth and sustainable development, we should all recognize that perhaps the most critical factor is the kind and quality of education and training that we provide to our people. It is self-evident that having an educated population is a prerequisite to success in the development of the private sector as the main
engine of economic growth as well as success in achieving our population policies.

Thus, in talking about development, our objective is first of all development in the total sense, encompassing material progress and non-material values. The second is achieving a balance between sustained economic growth and population development.
Excellencies, ladies, and gentlemen. Sustainable development is an interesting term subject to a wide variety of definitions. But I personally employ a very simple definition. Sustainable development is development that meets all your goals. All of them, that is very important. It has to mean all your goals. Thus the first thing one must determine in the discussion of sustainable development is what exactly one’s goals are. Those goals will not be precisely the same for all cases nor will the definition of sustainable development be the same for all of us. I can only speak of Guam’s experience in this regard. Therefore, what are Guam’s goals?

In general there are two. The social advancement of our people and winning the political rights and freedom of our people by putting an end to our colonial status. What do I mean by social advancement of our people? We mean many things. We want our people to have access to basic education. We want to see our people, the Chamorro people, fully trained in every field of human endeavor each according to their aspirations. We want to see our people have the best health care possible. We want access to the best facilities available, to life saving modern medical equipment, to all manner of treatments and therapies. We want to extend both the duration and the quality of the life of our people. We want our people to have access to all recreation and diversification available to western people. We want to have for our people the best that the world has to offer in music, arts, and every possible field. Again, I stress these are Guam’s goals, others may
differ. We want our people to enjoy a standard of living like any people in the west. Although we want the very best that the west has to offer and although we want our people to enjoy the highest standard of living possible, we want them to enjoy it as Chamorros. We want to continue to be Chamorros. We want to continue to speak our language, recognize and honor our own customs and the way we look at the world. This is very possible, after all the Italians can watch western movies and still be an Italian. A Japanese can wear a Gucci watch and still be a Japanese. An American can eat sushi and still be an American. A Frenchman can wear Levis and still be French. There is no reason why a Chamorro cannot live in a good house or drive a BMW and still be a Chamorro.

Our second goal is to be politically free. Guam has not been politically free for almost 300 years. First, we were colonized by the Spanish. About two centuries later the United States took us as a spoil of war briefly in the 1940s. The Japanese invaded our island and then the Americans came back. In case if anybody is wondering, they are still there. In all these years none of these administering powers dared to give our people the right of self-determination, to give our people the full right of self-government, to give us that which had been taken from us—the right to be masters in our own house. This is something that we want to change. That is our second great goal.

In order to achieve both of these goals, the social condition and the political rights of our people, it has been necessary for us to do one thing. We have had to economically develop. We have had to because raising the standard of living for people and increasing access to education, health, and everything else takes money. In this world no one will give you first class health care, you must pay for it. No one will give you universities and schools, you must build them. No one will give you anything for free; one way or another, you pay for it.

In Guam's case we very consciously decided that we had better start paying our own way. Thus we have to develop our economy. We took the best resource we had—our tropical location, our beaches and sunshine, and our proximity to growing Asia economies—and built a tourism industry over the past 25 years. It
has in many ways been an outstanding success. Our government brings in hundreds of millions of dollars more in tax revenues than it did years ago. We have gone from an island relying on the subsidy of our administrating power to a people who are largely self-supporting. Today we build our own schools, our own university, our own roads, our own power system, our own infrastructure because we wish to do these things and remain Chamorro. We have taken steps to preserve our language, our culture, and our environment to find a balance so that all our goals are met. We have made mistakes along the way, of course. Has everything worked out like we wanted it? Of course not. We are not perfect. We are human and fallible like any people anywhere. But our schools are better than they were 25 years ago. Our university is better. More of our people obtained college degrees than ever before. We have produced more workers in every field, more local mechanics and teachers, doctors and lawyers, businessmen and college professors, and we have a low unemployment rate as well, and the standard of living for our people is much higher than before.

None of these things would have been possible had we not made the conscious choice to build our economy. And one other thing would not have been possible: I could not have said some of these things I have said today because the growth in our economy has made us even more strident in our demands for political freedom. It has given us the means to seek an end to those political wrongs that our people have suffered for so many, many years. The limited success of our economic freedom has stoked the fires of political freedom in Guam. It is very hard to seek changes in your relationship with a colonial power if you are completely dependent on that power for the necessities of life. The trap of dependency has been as difficult to escape from as a prison of iron bars or a barricade of guns. That is why for so many years, we in Guam may have seemed complacent. That is why today you see us fighting for a change in political status and fighting to change conditions and injustices that 25 years ago we had no choice but to accept.

After World War II our economy was destroyed. We lost over a third of our land to military bases established by the United
States, and 10 square miles on both ends of the territory of Guam are used for the storage of missiles and nuclear bombs and other type of bombs that we the people of Guam have been sleeping with for many, many years in the interest of peace for all mankind. It is impossible to go back to what we were, but at the same time we could not build our economy due to a security clearance requirement that the military put in place. Even a returning Chamorro had to have military permission to come back to Guam, much less a tourist. The military has effectively depressed our economy and effectively left us in the situation of having to rely upon them. For many years we survived only on the subsidies of the American government but even these were not free. We paid. We paid in land lost to us. We paid in resources being taken from us. We paid in rights taken from us. We paid in the most precious commodity of all, dignity. From now on we want to pay cash. It is cheaper on the soul and on the spirit. It could have been a lot worse, and we sincerely believe that America for all its problems and mistakes as a colonial power wants to do better if only it could find a way to do so. We want to keep a relationship with America. The difference is that today we do not have to do so at any price. We can demand a reciprocal relationship and insist on our right to be self-governing and free.

Guam’s economic development has been important in realizing our primary goal. We are not satisfied nor are we finished. We still have a long way to go. Currently our level of economic activity brings our government about US$600 million annually. We want to see that grow to about a billion dollars over the course of the next decade. There is still so much to do. But we are confident that we will meet our goals, and we sincerely want each one of our regional neighbors to meet their goals whatever they may be as well. We will never presume to suggest that the path Guam has chosen is necessarily the path that every emerging nation in this region must follow or should follow. Each nation in this region is different. Many of you have been blessed with far greater resources than Guam. Many of you have greater political freedom. Each of us has our strengths and weaknesses. Some may seek to retain dependency upon metropolitan nations for an entirely good reason. Although it has been my personal observation that is easier to deal with some administrating powers than others.
Some metropolitan countries are willing to give their dependencies quite a bit of self-government while others incorporate their dependencies fully into their own political system. Neither is true in our case. Thus we need to be active in this area. But as we all march toward whatever horizon we seek, it is my fervent hope that we help each other on the way. Guam wants to be a good neighbor, a better neighbor than perhaps it has been in the past.

We can work together in many ways. We can support each other in our mutual and individual goals and struggles, and what we are able to offer we do so gladly and in return ask for your help and guidance. The bonds of trade and commerce between us can be strengthened, and the bonds of cultural exchange can be improved. Our relationship can endure for generations beyond as long as the same wind blows across our islands, as long as there are fish in the ocean that God has given us to share. We are brothers and sisters of the same mother and father. We are all children of the Pacific.
Let me begin by saying how pleased and proud Hawai’i continues to be to have the privilege of serving as the home Secretariat for PIDP at the East-West Center. It is an honor that we take very seriously, and we want to assure each and everyone of you that we will continue to support PIDP in every way that we can. I was especially pleased to hear Dr. Halapua define what sustainable development is. All too often we have used the term as though it were a definable product. Dr. Halapua took us in a different direction by talking about a process that results in sustainable development, thereby enabling us to meet the needs of our communities and still be in tune with the concepts of that process. The process he described would allow us to deal with our current world, a world of great changes and movements.

I think back to my first meeting in 1987 as a member of the Standing Committee, and the world that existed then was so different from that today. It was not too long prior to that 1987 meeting that my good friend, Ieremia Tabai from Kiribati, had the audacity to sign a fishing treaty with the Soviet Union, and throughout the United States and parts of the western world there was a fear that awful things would happen in the Pacific. It seems like only yesterday, and yet the Soviet Union today no longer exists, and the threats that we had envisioned did not come to pass. Instead today we live in a world very different from that just a few years ago. And the process of sustainable development or the idea of dealing with sustainable development, I think, in this kind of a world is the challenge that we all face as we attempt to hold
on to what we see as the very best for our islands and our peoples.

The one constant remaining, despite all this difference though, is a sense that back then and today we still believe in our ability to control our own destiny. And that I think is what underlines all of our thoughts. There are many forces in the world, and I will discuss several of them that we in Hawai'i see as affecting us. Obviously in any kind of discussion regarding economic development, the issues of trade come up. As we see the world today we notice a growing tendency toward more regionalization of trade whether it is the European market or the North American Free Trade Agreement (NAFTA). There is even talk about having a Southeast Asian trading arrangement. Given that context it seems especially appropriate that we have the Joint Commercial Commission, which many members of this organization helped to bring about; I assure you on behalf of the state of Hawai'i that we want to support the Joint Commercial Commission and to make sure that the hopes for increased trade and economic development resulting from that effort in fact occur.

The Joint Commercial Commission should lead to a major increase in trade and investment between the United States and the Pacific island countries. When implemented, we in Hawai'i intend to work untiringly to that end.

As we all know, it is clear that small island economies face many obstacles and challenges in achieving balanced growth and development. At the 1990 Pacific Islands Conference, Professor A. P. Thirlwall said that small countries are much more specialized and less diversified than larger countries, making them more vulnerable to both internal and external shocks. He said that small countries cannot reap the benefits of economies of scale, particularly in manufacturing and infrastructure. In addition, he said that the remoteness of small island economies makes transportation and communication more expensive and less competitive.

For all of us living in distant Pacific communities, this is hardly news. The reality for us is that foreign aid exceeds the total value of South Pacific exports and is the major source for infrastructural
development. We know this kind of situation leads to an unhealthy dependence, which should be eliminated as soon as possible through trade opportunities.

I would also like to thank the members especially of the independent nations for recognizing the fact that Oceania as a whole ought to be involved in trade. It is my belief that in the future all of us whether it is the American flag islands or the French associated islands should also be involved in a consortium relating to trade and commerce between us. Some of my colleagues in the United States Commerce Department and State Department have a way of seeing this relationship as being very traditional and vertical and yet all of us who live in the Pacific know that we interrelate to one another, and it is extremely artificial to exclude any areas in discussions of trade especially in dealing with the forces of world trade. Forces regarding our environment and our culture are upon us, and each day we become more sensitive to their importance for our individual islands.

Recently there was a meeting of the Pacific Asian Travel Association (PATA) in Honolulu that discussed worldwide tourism, and at the end the focus of that meeting was on eco-tourism, which is another word for the kind of tourist development that recognizes cultural and environmental factors in its economic activities. For us in the state of Hawai‘i we see this as a component of sustainable development and the way to go in the future.

We must be careful to balance the risk of over-taxing our limited resources and of distorting our traditional cultures with the economic gains that are there to be nurtured. Besides permanent damage, such an imbalance could destroy the very reasons for which many visitors travel great distances. However, tourism, if properly managed, can form the basis for sustained and thoughtful growth.

There are forces affecting our resources. Obviously for those of us here the ocean is a tremendous resource for all of us, and therefore it is with a great deal of gratitude again that Hawai‘i acknowledges the joint support that we have given one another to end the walls of death with people who would farm our oceans
with drift nets and the like. Our most valuable resource obviously is our people. Our people who will carry out the economic activities that we pursue. Our people who will benefit from these economic activities to further the goal of improving our human resources.

Hawai‘i is pursuing the development of a Pacific Human Resources Development Center that will utilize the cooperative linkages between our various colleges and university systems throughout the Pacific. The focus of this center is to provide human resource training in such key areas as the transportation sector including aviation, the tourism sector, the building and construction trades, health care, information technology, finance, regional and urban planning, and obviously natural resource utilization.

In addition to our human resources other forces are affecting us in terms of our infrastructure and by this I mean international forces—not only the problems that we each face in our individual localities. In the international infrastructure of aviation the world has changed tremendously. It seems to me that decisions are being made on our highways of the sky in many places outside of the Pacific, and yet the results of those decisions directly affect us. Any system of development for any of our islands involves decisions about aviation as a part of international infrastructure.

Other debilitating situations and conditions face the Pacific island nations, which must also be confronted:

- Agricultural production and export are down due in part to low commodity prices;
- There is increasing uncertainty in our fishing industries caused by over-fishing, which is why Hawai‘i strongly supports the ban on drift net fishing; and
- While manufacturing can work—witness the experiences of Fiji with its garment production and American Samoa with its automobile parts industry—the perpetual shortage of skilled labor remains a difficult problem to rectify.
In our search to create development opportunities, we also need to be aware of development's side effects and work to minimize or mitigate these unintended and unwanted consequences.

We live in a time of growing nationalism, and the Pacific is no different. Indigenous people of the Pacific are reasserting the ability to control their own destiny. We heard the very eloquent words of my colleague from Guam regarding the aspirations of the Chamorro people. The state of Hawai‘i is no different. In 1993 we are commemorating the 100th anniversary of the overthrow of the Hawaiian monarchy. For us this is a very pivotal time in our history. A time for the native people of the state of Hawai‘i to reassert their own self-determination and role in world affairs. As we deal with development in the future, the force of indigenous self-determination will be a factor that has to be included in any kind of process and formula. We intend to do that in the state of Hawai‘i. We think it will be positive. Not only will it give us a heightened sense of awareness and cultural heritage, but the native people of Hawai‘i just received US$140 million from the state legislature, and they are now beginning to have their own resources as well.

Let me tell you about a historic event that took place last year—not in Hawai‘i, not in Tahiti—but in the middle of the Pacific Ocean.

In 1992 the Polynesian voyaging canoe, the Hokule‘a—built and captained by Hawaiians—used navigational techniques devised by our mutual ancestors to circumnavigate the South Pacific, traveling to both Tahiti and the Cook Islands, where, incidentally, the Festival of South Pacific Arts was taking place.

In the middle of its journey the crew members of the Hokule‘a had the opportunity to participate in a telecommunications linkup with astronauts circling the globe and with children sitting in classrooms in Hawai‘i. During the voyage, Hokule‘a’s crew members, school children in Hawai‘i, and astronauts in space all communicated simultaneously with one another.

In their talks, they all expressed amazement and respect for the traditional knowledge that allowed our ancestors—and now their
descendants—to travel across wide bodies of ocean. They also express wonder over modern technology that has allowed men and women to travel into the wide expanses of space.

To me, the conversations demonstrated the importance of linking ourselves to both the culture and the traditions of our past and to the technology and aspirations that will allow us to be fully participating members of a global future. Development and progress do not have to happen at the expense of tradition and cultural values. Tradition can help to nurture growth. In fact, that is what eco-tourism is all about.

All three points of that triangle from the Pacific Ocean to the stars back down to the Hawaiian islands (the Hokule'a crew members, the astronauts, and the school children in Hawaiʻi) participated in a conversation about their heritage as envisioned by this great canoe, talking about their future as seen from the skies of the heaven, and suddenly a realization came to all of us: it is possible to keep one's culture, one's tradition, one's heritage, and still reach for the stars.
Mr. Chairman, excellencies, heads of regional organizations, ladies, and gentlemen.

It gives me great pleasure to make a few remarks on this occasion to share with you our thoughts from Kiribati on the subject of "Sustainable Development and Population," an area of overriding importance to the region. The Conference could not have chosen a more appropriate theme for its deliberations. The issue of development has always been the central theme of the past three Pacific Islands Conferences, and understandably so, as it has also been our overriding task in our regional gatherings, as it is in our national capitals.

We have been preoccupied, as we should, with how to meet the basic needs and how to improve the socioeconomic status of our people. This has continued to be the basis of projects carried out by PIDP, and I wish to commend the Director and staff of PIDP for the assistance and advice we have received from the organization toward this end.

The theme of this year's Conference could not have been more timely particularly in light of the current context within which the subject of development is being discussed. We must not only aspire for development as an end—we must also aspire for development that is necessarily long term, a process that triggers additional improvements and betterment to society—development that is sustainable and something that we can count on to con-
continue to contribute to the betterment of not only this generation but also future generations to come.

We acknowledge that the task is an awesome one and the process of development a difficult one, particularly for those smaller island states that operate within already existing economic constraints emanating from their smallness, their being remote from major shipping and airline connections, and their narrow resource base. But this is no cause for fatalistic resignation. Visiting consultants and reports from some regional and international organizations have not been too encouraging about future economic prospects for Kiribati. But for us, as a government and as a people, we reject this pessimism for there is simply no option but to continue to seek ways to contribute to the betterment of our people, to develop however and in whatever way we can. The very fact that we are still here 14 years after Independence is testimony to this goal.

To achieve sustainable development, it is important to have clear and appropriate policies for proper management of resources, and the need for these is particularly acute when the resources available to a country are limited as in Kiribati. Having said this, I acknowledge that it is easier said than done, and in many respects it is perhaps more of a statement of an ideal than anything else. Databases must be established of all existing resources, their present status, characteristics, and present locations clarified. Then countless questions come to mind like “How do we exploit these and at the same time ensure long-term sustainability?” “Do we exploit them at all?”

The role of developmental assistance is central to all this, and I would like at this stage to commend the various forms of assistance that have been rendered to Kiribati to assist in its efforts to develop. Our own regional organizations have contributed tremendously through their various programs of technical assistance and advisory services in their respective areas of expertise. The contribution of the donor community cannot be overemphasized, and for all these we are most appreciative.

Having said that, I wish to emphasize that as useful as these various forms of assistance are, they must not be taken as a substitute
for our own national efforts. These various forms of external assistance must necessarily be seen as complementary to our own efforts toward sustainable development whose path and direction it is for us individually as states to decide.

Sad is the day when developmental projects have to be put to rest for lack of donor support. In my view, when this happens, it is best to pack and go home. Sustainable development must therefore necessarily incorporate the notion of self-reliance to avoid having to cultivate an artificial level of livelihood and thus expectations for the people that the country cannot afford to maintain in the long run.

This has been the fundamental foundation on which we have based our development policies since Independence—the deliberate policy of limiting our public spending to the level that we can sustain in the long term. It is basically why we have chosen to do away with budgetary assistance very soon after Independence. It involves painful sacrifices and restraint on spending, which may not always go down well with our constituencies. It, however, makes sound political and economic sense in the long run, for when all the fanfare of the handing over ceremonies are over, the responsibility is ours to ensure that the fruits of development continue to flow to our people, and this is perhaps the biggest test of sustainable development.

Developmental policies are designed to help guide plans for the improvement of the well-being of our peoples. In Kiribati the majority of our people live a subsistence lifestyle on the outer islands. Our development program will therefore continue to have bias toward improving the living standards on the outer islands. Concerted efforts have and continue to be made to strengthen and improve institutions for the delivery of these programs. Because the lifestyle of our people is still largely a subsistence one on the outer islands, due emphasis has been given to agriculture and marine resources development with a view to achieving maximum benefit for our people on a sustainable basis. Because of the heavy reliance on the land, the surrounding sea resources coupled with the very limiting and fragile nature of the atoll environment, it is most important that every effort be made to maintain this delicate balance. This by no means is a new thinking. There exist
traditional checks and controls to ensure that resources are not overexploited, and more recently the government has set a condition to the environmental impact of development projects before implementation.

In terms of statistics our population size is perhaps relatively small compared with that of other Pacific islands. However, in relation to existing resources, the figures are a cause for concern, especially so given the limiting nature of an atoll environment. Efforts to improve the livelihood of the people will become meaningless and will very soon be negated if there are no concerted efforts to control the population.

Our population stands at 72,335 according to the last census, and current projections are such that by the year 2029 the population will be doubled. This is cause for alarm as it would mean that the average I-Kiribati living in 2029 will be enjoying half of what is now available to an individual in terms of services and resources, assuming all else is equal. Some have argued that we “leave the problems of the future for future generations to handle, for they will be better equipped to do so.” This is a statement of the obvious, but it does not give us the license to selfishly squander what is now available, most of which may not be renewable. We have a moral obligation to manage current resources the best way we can so that future generations will have the foundation on which they can continue to build. Likewise, it is important that an appropriate and comprehensive population policy be put in place so that we can at least make concerted efforts to control population growth to match the resources available to us and to alleviate the magnitude of the problem facing future generations.

In Kiribati we have already begun to feel the pressures of overcrowding, and the government has embarked on a massive and voluntary resettlement program for its people from the Gilbert Group to Tabuaeran and Teraina in the Line Groups. The program is aimed at relieving population pressure on the islands and stimulating and supporting the semi-subsistence sector in the Gilbert Group. The program is still ongoing and is not without the inevitable problems expected when people are moved in big numbers.
Resettlement may solve the problems relating to over-crowding in the short term. The reality of the matter is that we do not have an infinite number of islands to where we can continue with the program. In order to provide adequate support to an ever increasing population, a population policy is a necessity to address the problems of high population growth, economic hardship, and the deterioration of resources and the environment.

The answer lies with the basic and most important unit in the country, the family. The government has therefore intensified its efforts to target this group through intersectoral collaboration to disseminate information on population related issues and to promote acceptance for the need for family planning.

Sustainable development is the ideal for which we should all strive, yet the process is a multifaceted one involving many dimensions. Population related issues are one of these important dimensions that could serve to negate all other efforts if the appropriate attention is lacking in this area.

There are other very important dimensions that cannot be addressed by one country alone but require collective international effort to bear results.

Much of what I have covered so far are national efforts, necessarily so as the issue of development should remain a national undertaking. Yet all these national efforts will amount to NOTHING if our islands are to be submerged below sea level in the not too distant future. The input of the international community and in particular the industrialized countries cannot be over-emphasized, and I again call upon those countries to act responsibly and to meet their moral obligations to complement national efforts toward sustainable development in the region.

We acknowledge that the ultimate responsibility for our development rests on our shoulders. Yet there are activities that contribute toward this and that can best be tackled on a regional basis. The common threads in our individual efforts can benefit from an exchange of ideas and people.
I therefore greatly value our participation in this gathering, which accords us this very opportunity for an exchange of views on this subject of importance to the region. It also presents us with the opportunity to signal to the international community our total commitment toward sustainable development as a goal for our people.
NAURU

His Excellency, The Honorable Bernard Dowiyogo
President

Mr. Chairman President Flosse, distinguished colleagues, ladies, and gentlemen.

As you all know Nauru is the smallest island in our membership and therefore I will keep my speech very short.

The Republic of Nauru stands behind PIDP. We have been a member for only three years and our support has not diminished an inch. In fact it has grown, and it is a pleasure for myself to be able to come to Tahiti to attend this PIDP Conference. We welcome the programs that PIDP has produced over the last three years, and we would like to wish PIDP every success in its future endeavors. There is no doubt that the work of PIDP is very important to the development and progress of our Pacific islands and especially our people.

Many important issues have been raised by the previous speakers. As far as Nauru is concerned the theme of this Conference is very relevant, and I congratulate the organizers. So much has been said over the last 12 months, especially since Rio, about sustainable development and population, which are both items of great importance as each one affects the other very considerably.

As I have said, Nauru fully appreciates the work of PIDP, and I would also like to take this opportunity to thank the Governor of Hawai’i for his strong support and the people at the East-West Center in making PIDP available in Honolulu for the benefit of the people of the region.
NIUE

The Honorable Frank Lui
Prime Minister

Mr. Chairman, your excellencies, ladies, and gentlemen.

Fakalofa Lahi Atu, and warm greetings to you all.

In the early 1970s, Niue had a population of approximately 5,300. In 1971—when the new airport for commercial operations was opened—the downward trend of the population started. By 1974 when Niue attained internal self-government in free association with New Zealand, the decrease in population had already increased dramatically, and it continues to do so.

Droughts and cyclones contributed toward the further decline in population, during intervening years, by prompting people to leave.

Low commercial air fares at the time also contributed toward this drift by allowing whole family groups to migrate to New Zealand. Niueans, of course, are New Zealand citizens and hold New Zealand passports.

In recent years the population has leveled out and is stabilized at around 2,300. It is my strong desire to try to repatriate some of these 14,000 Niueans in New Zealand, back to Niue.

Without a sound base of manpower resource, the government cannot see its economic development initiatives become a success. I have an ambitious policy/program to increase the population base, back to 5,300, over a ten-year period.
A new New Zealand policy on social welfare benefits may contribute toward this initiative. It is expected that by July 1, 1993, a proportional portability pension scheme will have been approved by the New Zealand Parliament.

Briefly, someone at the age of 20 years and resident in New Zealand for 40 years or more can gain a 100 percent benefit by returning to live on Niue. On a sliding scale, 20 years' residency in New Zealand will gain a 50 percent benefit. Niue will continue to negotiate strongly for a 100 percent benefit, regardless of years of residency in New Zealand. By targeting this age group, it will also attract back the extended younger family groups with appropriate skills required to help develop Niue.

This is an ambitious scheme. All it needs now is for some financial assistance to start the scheme. Once the initial push is achieved, the trend is then expected to take its own course of action.

**Environment**

We now have a new Environment Unit set up within the Department of Community Affairs since 1992.

Under the South Pacific Regional Environment Programme/National Environmental Management Strategies (SPREP/NEMS) program it has provided funding for two years for an Environment Officer to head the unit. It has also provided some funding for administrative assistance.

Niue participated in the United Nations Conference on Environment and Development (UNCED) talks held in Rio last year.

An environmental bill will be tabled in Parliament soon to take control of all environmental issues. Government policy at present insists on having an environmental assessment for all projects that will have an impact on the environment.

Niue has already signed the SPREP Treaty in Apia last week.

With tourism at its infancy stage, it is very important that proper environmental controls are in place before tourism is fully established.
Trade/Marketing and Investments

With the downsizing of the Niue public service in recent years, concerted efforts have been directed toward developing the private sector. New Zealand funds have been redirected from the recurrent financial budget toward the economic development initiatives in the private sector.

The Niue government has requested the New Zealand government to treat as a matter of priority, the appointment of a suitably qualified economist to head the Economic Development unit. It will evaluate the existing overall economic situation and make recommendations as to the most suitable economic infrastructure to support clearly identified or identifiable opportunities for long-term sustainable economic development.

The economist will be expected to identify and evaluate development opportunities. A new Tourist/Trade and Marketing Officer will be appointed shortly and placed in the Niue Consul Office in Auckland, New Zealand.

The Niue government has limited financial resources to invest in overseas investment ventures at present but will do so in the near future if funds are available. It is actively promoting opportunities for outside investors to invest in Niue, preferably with a local resident counterpart.

Niue does not have lending facilities for investors from outside of Niue to tap from, but it has plans to set up a development bank in the immediate future.

These initiatives clearly demonstrate the government's commitment toward long-term sustainable economic growth.

Fakaue Lahi, Kia Monuina.
Mr. Chairman, Prime Ministers, Deputy Ministers, Governors and all Leaders from the various government sectors, representatives, ladies, and gentlemen.

A modern economy, economic self-sufficiency, high standards of living—doesn’t every island want these benefits? Some do not.

Some islands with small native populations decided not to develop, and some lightly populated islands would rather have the relaxed, slow-paced advantages of the traditional path. Modern development brings modern problems. There are disadvantages to life in the fast lane.

Some islands are willing to put up with minor limitations to enjoy the surrounding peace. Some islands reject development’s mixed blessings. Islands that have turned in the modern direction look with aspirations to those that decided to stay close to the traditional path.

But how about the small islands that want modern economies? How about the islands willing to leave the traditional path to seek the paved road to a higher standard of living? Can they do it? More to the point, can they do it even if they have a small local
population? Will a limited local work force forever block the development of a modern economy? The answer is no. A small local population does not block the path and does not make it impossible to have a modern economy. The limitation of small indigenous labor pools can be overcome. The use of foreign labor can be a bridge.

Some islands with small populations find themselves half way between a modern economy and traditional lifestyle. They have one foot in the modern world and the other in a subsistence economy. The straddle can be uncomfortable.

Quite often, islands in this half-way world must look to a metropolitan power to finance the modern part of the island society. Local government is subsidized. The modern schools, the modern utilities, and the modern conveniences that people want are paid for by a distant federal government. Economic self-sufficiency is likewise a distant dream. Acceptance of federal handouts is a disturbing nightmare.

Is economic self-sufficiency possible for these small islands? Can it happen with so few local people to staff a modern work force? The answer is yes. Islands with relatively few people can stand on their own two feet. The limitations of a small local population do not mean islands must forever remain welfare states. A low census count does not have to mean dependence and permanent reliance on federal handouts.

Islands with low populations can achieve a high standard of living. A small population does not condemn lightly populated islands to third-class educational, medical, and utility services.

New nations build economies, but they normally build them with a labor intensive industry. Later, new nations may change to a capital intensive industry. But new nations base their early development on human muscle. They start with people power. Stock markets and high technology come later. Can new nations develop labor intensive economies when the supply of local muscle is small and the need is large? The answer is yes. It can be done, and imported labor is one answer.
Tourism is a labor intensive industry. The manufacturing of garments is labor intensive. Agriculture is labor intensive. Can islands have these industries if their local populations supply only a fraction of the work force needed? Can economies of scale be achieved? The answer is yes. Islands with a small local population can meet the needs of a labor intensive industry. Islands with a few people can have modern economies. It can be done, and imported labor is one answer.

They can have communities with good schools, fine hospitals, and modern public facilities. They can enjoy reliable utilities and eat in very fine restaurants. They can see the advantage of well stocked stores. They can have most of the blessings of a metropolitan city.

How can this be done? It can be done with guest workers. The secret is foreign labor. Foreign labor with proper controls. Foreign labor with well enforced policies to address the problems any imported work force brings to a community.

Overcoming the limitations of a small population is easier when local government controls immigration policy. The Commonwealth of the Northern Marianas (CNMI) determines the size of its foreign work force. In turn, the size of the foreign work force determines the size of the Northern Marianas’ economy.

When immigration power rests with local government, that government controls an important handle. This is the handle that is turned to increase or decrease the flow of foreign workers. Local government makes the decision on the tempo and size of the economy. Local government, not a far away federal government, controls the pace of development.

A foreign work force allows for economies of scale, economies not possible with a small, local worker pool. With the proper use of foreign labor—everyone can profit. Importation of a foreign labor force can result in a win-win situation where all parties prosper, and foreign workers, investors, and local government all win and prosper. Local government gets revenues. Local residents get first-rate government services. Transportation systems are supe-
rior. The education system shines, and the investors get profits. Guest workers make money. They remit to their home countries. Wealth is distributed internationally.

The use of foreign workers is not free of potential problems. The economic gains from large populations of foreign workers can be canceled by non-economic losses. The social costs of increasing ethnic diversity, racial strife, and overcrowding can affect the quality of life. A rapidly increasing population creates an added burden on roads, water, sewer, power, and solid waste. Problems brought by a large foreign labor population cannot be ignored. These drawbacks will be discussed later.

First, let us concentrate on the positive. The Commonwealth has a very small local population. The Northern Marianas enjoys a modern economy and thanks to its foreign labor force, the CNMI sees the dawn of economic self-sufficiency.

The greatest limiting factor for the Northern Marianas’ economic development has always been its small local population. The Northern Marianas does not have enough local people to provide the work force needed to drive a modern economy. This was true in the past and this is true today. Yet the Northern Marianas has a modern economy. The greatest constraint on economic development has always been the limited size of the indigenous population. Yet the Commonwealth is developed economically. It has done this with the importation of a great number of foreign workers. The size of its economy may be limited only by how many workers it cares to import.

In 1990 a little more than half the Northern Marianas’ population was local; a little less than half was non-resident workers.

The Northern Marianas uses guest workers in its hotels and garment factories. Does the heavy use of guest workers make for a successful economy? The answer is yes. The Commonwealth enjoys a prosperous economy. Let us look at the indicators of that prosperity.

Reliance on U.S. taxpayers is down. Local revenues are up. Today the Commonwealth is no longer a welfare ward of the United
States taxpayer. Since 1983 overall federal expenditures in the Northern Marianas have been dropping at an annual rate of 3.4 percent.\textsuperscript{11}

Thanks, in part, to the importation of foreign labor, the federal government no longer funds or pays for local government operations. Local government pays salaries with local money, and not with federal dollars. The Commonwealth’s reliance on United States’ taxpayers has decreased at the same time the local revenues have increased.

The use of guest workers allows the relative size of local government to shrink. Relative to the size of a growing private sector, the business of government has been made smaller.\textsuperscript{12}

Use of guest workers allows the Northern Marianas to export more than it imports. The CNMI sells more than it buys. More goods and services are sold than are bought.\textsuperscript{13} Yet the Northern Marianas buys tons of U.S. goods and creates jobs for the mainland.\textsuperscript{14}

Guest workers help drive the Northern Marianas’ tourism economy. This economy creates a favorable balance of trade with Japan and perhaps other Asian countries. Tourism is the Northern Marianas’ main business. Seventy-eight percent of its tourists come from Japan.\textsuperscript{15} The Northern Marianas sells millions of dollars of sunshine to Japan every year.\textsuperscript{16} More than it buys in goods from Japan.

The Northern Marianas’ guest worker policies have allowed it to offer jobs to many of its brothers and sisters from Micronesia.\textsuperscript{17} As a result of the Compacts of Free Association, the Commonwealth allows unlimited Micronesian migration. Total Micronesian residents reached 3,466 in 1990. Approximately 3,063 Micronesians were in the work force in 1991, earning nearly US$16 million.\textsuperscript{18}

The Commonwealth’s use of guest workers has helped it to keep taxes low. Revenue from a robust economy, taken together with developers’ contributions, helps government meet the basic needs with modest taxes.\textsuperscript{19} In 1990–92, the Commonwealth raised
US$44.7 million in "voluntary" contributions from its investors so it could improve water, power, roads, and sewage treatment. These contributions help the Northern Marianas relieve the burden placed on infrastructure by developers and the non-resident workers they employ.

The use of guest workers helps the Northern Marianas realize a higher standard of living. The mean income for residents born in the Northern Marianas is almost US$17,000 a year.20

In 1992 the Commonwealth opened its first public library. It is building its first Commonwealth museum. Roads have been widened. Miles of dirt roads have been paved.21 The first traffic lights became operational in 1993. Hundreds of restaurants—many in first class hotels—offer a wide variety of dining.22 Two cable television companies compete. The Northern Marianas has four radio stations. Four major local newspapers are on the newsstands.

More Northern Marianas' young people attend college. Homes have television and CNN. Many churches have been remodeled. Local congregations are wealthier. New parks have been created.

The Commonwealth has achieved a good measure of economic success. It achieved this success with extremely limited resources. The Commonwealth has no forests of significant size. It has no known surface minerals. Its agricultural soils are limited and perhaps poor. Though an international eradication effort is underway on fruit flies, fruits and vegetables are ravaged by the melon fly. The fishery is underdeveloped.

And most limiting of all, there is no local labor pool. The indigenous population can supply only 17 percent of the needed work force.

With all these limitations, how has the Northern Marianas created an economy? The answer again is foreign labor. Foreign labor with proper controls.

Foreign labor is by no means the only element in the Commonwealth's success story. Certainly jet planes and the tropical loca-
tion close to Japan aid the Northern Marianas' success. The stability offered by the U.S. flag and court system helps. Liberal foreign investment laws, a good tax climate, a strong yen, and the immigration control all help. Local control of the minimum wage is important. Duty free importation of assembled goods into the United States is a fine benefit.

But economic success would have been impossible without the help again of foreign labor. Non-resident workers make up approximately 81 percent of the Commonwealth's required labor pool. The Northern Marianas could not drive its modern economy without these guest workers. It owes its higher standard of living to an imported alien work force.

Is there a price to pay for a large non-resident worker population? Yes, there is. Can the cost be held in check? The answer is once again ... yes. With enforcement of proper government policies the cost can be held in check.

Let us take an honest look at the potential costs of foreign labor. The potential costs are monetary, political, and moral.

Let us first examine the monetary cost of a large guest worker population. Guest workers draw upon government services such as hospitals, education, parks, roads, and perhaps the police department. Do guest workers cost the Northern Marianas more money than the workers make for the Northern Marianas?

Even though it "costs" something in government services to have guest workers in the islands, the Northern Marianas estimates a net gain. By all accounts the direct and indirect revenue benefits to the Northern Marianas outweigh government costs to support guest workers.

Take the Northern Marianas garment industry for example. In 1991 about 6,500 non-resident workers were employed in Northern Marianas' cut and sew garment and textile plants. Those plants paid the Northern Marianas government approximately US$18 million in taxes and fees. The garment business stimulated other private sector businesses by about US$415.7 million. Many
of these 5,000 employees used the Northern Marianas' health care system. They drew on the police department. They caused wear and tear to the roads. The utility system had to provide them water, power, and sewage treatment. The parks required more maintenance. The schools felt relatively little burden, since most non-resident workers did not have their families with them.

The total cost of supporting these garment employees,28 subtracted from the total contribution of fees, taxes, and contribution to private industry, shows a net gain for the Commonwealth. The contribution to the Northern Marianas' economy is over US$30 million.29 The Commonwealth believes the same analysis will hold true for the non-resident workers in the Northern Marianas' hotel industry as well.30 Are guest workers a net financial gain to the islands? This appears to be true. The question of alien impact on the Northern Marianas' economy is now under formal study.31 The outcome of this joint CNMI-federal study on the impact of alien labor may provide more definitive answers. At this point, the Northern Marianas believes the government revenues generated by the workers more than offset the cost to keep them.

A large non-resident worker population need not be a monetary cost to government.32 But could it levy a political cost? Could guest workers become citizens and vote their own candidates into office? Could political power be taken away from the local population? This is not likely in the Northern Marianas.33 Not likely as long as the Northern Marianas controls its own immigration policy.34

The Commonwealth guest worker population enjoys the basic legal protections of the U.S. and the CNMI Constitutions. It has the benefit of law, but it has no political franchise.35 Nor can it acquire one in the Northern Marianas.

Non-resident workers are not on a citizenship track. They enter as workers, not immigrant aliens. They do not enter the Commonwealth and step on the path to U.S. citizenship. Few of them will ever reach the ballot box.

Even if workers remain for decades, as long as they remain on worker permits, they cannot acquire U.S. citizenship. They will
not vote. They will not take the legislature, the mayor's office, or the governor's chair. The danger of a political takeover by foreign workers in the Commonwealth is remote. Local political control will not pass to these workers.

The main problem encountered with a large alien labor force has been labor abuse. At its heart, this is a human rights problem. Not all employers abuse labor. Most employers treat workers properly. But enough do take advantage of foreign labor so that the rights of many workers have been compromised.

Many employers are themselves foreigners. Many non-resident workers find employment with Northern Mariana's foreign investors. Some of these foreign investors import labor practices from their home countries. These practices fail to conform to U.S. labor standards. Workers can become victims.

Some local people also have been guilty of labor abuse. In the rush to enjoy the benefits of low cost, plentiful foreign labor, even some permanent residents have forgotten their obligation for fair treatment. At the heart of it, the large population of foreign labor in the Northern Marianas presents a human rights problem. Foreign labor is sometimes denied human respect and consideration. The voice of concern has been raised inside and outside the Commonwealth.

Certainly, there are costs to the communities that use large populations of foreign workers. There are social, monetary, political, and moral costs. But these costs can be reduced with proper government policy. What is this policy?

First, to resolve the monetary cost of added government services, there must be offsetting revenue. Businesses employing the non-resident workers must generate enough tax and revenue so that local government can pay for added services and additional infrastructure. The general community must be lifted up and not driven down by the impact of foreign labor.

Second, to ensure that the non-resident worker population does not sweep political power away from local hands, immigration
control must be retained by local government. Workers are not to be allowed on the citizenship track.

Third, to reduce a cultural dilution and minimize ethnic friction, the foreign workers should be chosen to blend with the local population.39

Fourth, a fair minimum wage should be established. A fair minimum wage benefits non-resident workers and attracts more highly skilled workers. Also a fair minimum wage is necessary so local people are not discouraged from entering the work force. Wage levels should reflect the relatively high cost of living in some islands.40

Fifth, the moral issue must be addressed. To protect the human rights of the guest worker, a human rights act must be in place. If necessary, the churches could lead a moral crusade to improve the public attitude toward guest workers.

Sixth, to calm criticism from the federal government, all labor laws must be properly enforced.

Seventh, local people should be trained to replace as many non-resident workers as possible.41 The guest worker population should be kept to the absolute minimum.

In conclusion, the Commonwealth, handicapped by a small population, has built a modern economy. The Commonwealth does not suggest that its guest worker model is appropriate for every island. But without a doubt for the Commonwealth, the rewards of imported labor have been a higher standard of living and a large measure of economic self-sufficiency.

There are problems. Even now the Northern Marianas struggles to manage these problems. The local government works to adopt policies to guard against the negative effects of a large guest worker population.

The worker must be a net monetary and social benefit to the community. Guest workers must not drag down the general
community. The general community must enjoy benefits from the economy created by the use of foreign labor.

The guest workers must also benefit and be treated right. They cannot be abused or cheated. Where labor abuse is allowed, federal authorities will threaten to intervene, will threaten to use federal laws, and their authority to regulate what should be local issues.

With the proper government policies, remote islands with small populations can create modern economies. If the right laws are on the books or in the statute and if those laws are fairly enforced and if the community attitude toward guest workers is respectful . . . everyone can be a winner. Local government, investors, and the workers can all profit.

Endnotes

1 The Commonwealth of the Northern Mariana Islands (CNMI) controls immigration. Discretion on the number and identity of guest workers allowed to enter the Commonwealth rests with local government as provided by Article V of the Covenant to Establish Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, U.S. Public Law 94-241 (90 Stat. 263). In the U.S. insular areas, American Samoa and the Northern Marianas are authorized to control immigration in and out of their islands, but Guam, Puerto Rico, and the Virgin Islands are not. LEIBOWITZ, DEFINING STATUS, at 447-51.

2 Unlimited Supply of Labor in a Small Island Economy: The Case of the Commonwealth of the Northern Mariana Islands. A thesis submitted to the graduate division of the University of Hawai‘i, agricultural and resource economics, May 1992, by Cristina Austria Olive. Foreign workers benefit from the higher wages they earn in the CNMI. They receive better wages than in their home countries. “These higher wages allow them to remit money to their home countries, therefore generating much needed foreign exchange and redistributing income from the CNMI to the labor exporting country. In sum, the foreign workers serve as medium for international resource transfer,” page 96.

3 Out of a total population of 43,345, there are approximately 23,000 “locals,” including Chamorro, Carolinian, white, black, and Carolinian

4 Marianas Political Status Commission, "Response to Comments of Ambassador Williams and Mr. J. Wilson on the Marianas Political Status Commission Economic and Financial Position Paper" 1-2 (Marianas Political Status Negotiations, 2d Round, May 25, 1973): "The high level of population growth which we have projected . . . reflects the explicit recognition by the Marianas Political Status Commission that the present small population base (of the Northern Mariana Islands) cannot provide the labor force needed for significant economic development. Controlled immigration into the Northern Marianas will be necessary if we are to obtain our economic goals." See also U.S. Department of State, Trust Territory of the Pacific Islands: 1973, at 57-58 (1974): "The manpower supply of Micronesians with job skills required for ready participation in economic growth opportunities is limited. Shortages exist mainly in managerial, professional, and middle level skills such as construction and service trades. The current increase in construction will require further increase in non-resident skilled workers."

5 The 1990 Census shows a total population of 43,345. Of that number at least 21,188 were non-resident foreign workers.

6 Negotiating History of the Northern Mariana Islands, Covenant Vol. I, 438 (May 25, 1973). During the 1973 Covenant negotiations, CNMI stated its need for alien workers. The CNMI's small population base simply could not provide the labor needed for economic development. The CNMI, in short, simply could not support tourism and other local industry. The United States was "in complete agreement with the long-range goals of self-sufficiency for the Marianas . . ." Negotiating History, Vol. I, 449.

7 The CNMI's indigenous population can provide only 16.07 percent of the labor force, according to the 1990 Census.

8 About 21,332 non-resident workers out of a total CNMI population of 43,345. Guest workers made up 81.6 percent of the CNMI work force in 1990.

9 According to 1990 Census, approximately 23,000 local people and 21,332 non-residents (Asian workers with 14,160 Filipinos leading).

10 According to the CNMI Office of Planning and Budget, CNMI internally generated revenue of an estimated US$151.7 million in 1990 increased by 36 percent over those in 1989. CNMI internally generated
revenues for 1994 (est. $149.7), increased by 89 percent over those of 1989.

11 Congressional Research Service (92-872 GOV - Nov. 19, 1992). Total per capita or total per U.S. citizen-national, the Northern Marianas trails Guam and the Virgin Islands in federal assistance. American Samoa is US$22 lower than the CNMI on a per capita basis. According to the CRS Report for Congress, in 1991 each person in the CNMI received US$1,868 in federal assistance, while the figure is US$4,097 for each person in the Virgin Islands and US$5,370 for Guam.

12 CNMI government wages made up only 18.07 percent of all wages paid in 1990. For the same period, 76 percent of wages paid were in the private sector.

13 In 1992, garment exports alone to the U.S. mainland totaled US$294 million, while imports from the U.S. into the CNMI totaled US$275 million.

14 For 1991, U.S. cargo revenue tons into the CNMI reached approximately 358,137. Seen as value, items imported from Guam (US$157.4 million) and the United States (US$71.6 million) accounted for 58.3 percent of all imports; 16.6 percent of the commodities or US$65.0 million originated in Japan. The remaining imports totaling US$98.4 million (25.1 percent) originated elsewhere. Petroleum products accounted for the largest single item at US$81.8 million followed by construction materials—US$58 million, vehicles and spare parts—US$57.9 million and food—US$46.6 million with the remaining balance consisting of a wide variety of miscellaneous items. See CNMI Economic Development Strategy for Fiscal Year 1992-1993, pages 52-3.


16 Visitor expenditures increased from US$60.8 million in 1980 to US$434 million in 1991. In 1991, 308,400 arrivals from Japan spent US$311.2 million in the economy. If the CNMI and Guam are both considered, 900,000 Japanese tourists spent almost US$1.2 billion in the Marianas in 1992. With a land area the size of Dallas, Texas, the islands receive only 33 percent fewer Japanese tourists than the entire U. S. mainland.

17 Citizens from the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Belau.

In 1990–92, US$44.7 million was raised in "voluntary" infrastructure assistance from CNMI developers. For 1990–92, the CNMI Legislature, as a condition of approving public land leases for private developers, imposed pledges of US$40 million in cash or in-kind contributions to improve infrastructure. In addition, for 1991–92, the Commonwealth Utilities Corporation collected a total of US$4.1 million in contributions, from 17 separate developers, for upgrading the Sadog Tase and Agingan Point sewage treatment plants. For the same period, the Dept. of Public Works received US$600,000 in developer infrastructure improvement contributions, used mostly for road paving and solid waste projects.

The 1990 Census reveals that for 1989, the mean income for Commonwealth residents born in the Northern Marianas was US$16,693. Whereas, when all residents are taken into consideration, the 1989 mean per capita income in the CNMI was US$7,199 (for population over 15 years). See also CNMI Economic Development Strategy for Fiscal Year 1992–1993, page 141.

There are about 200 miles of road throughout the three principal islands in the Commonwealth.

The CNMI has 28 operating hotels with a total of more than 3,000 hotel rooms. More than 3,300 jobs in the Commonwealth are directly related to tourism.

Business taxes are generally low. The Business Gross Revenue Tax ranges from 1.5 percent (gross revenue up to US$50,000) to 3 percent (gross revenue from US$250,000 to US$500,000). Under current law, the Commonwealth is allowed to rebate to qualified taxpayers a portion of taxes received from income within the Commonwealth. The Northern Marianas can rebate up to 95 percent of the adjusted territorial tax on income generated within its borders.

$2.15 an hour with construction labor exempted as of June 1993. Several minimum wage reform bills are pending before the Eighth Northern Marianas Commonwealth Legislature. The Governor's Task Force on Minimum Wage Reform urges the Legislature to pass its executive request bill, which would have CNMI minimum at U.S. minimum by the end of this decade.

Exports from the Northern Marianas destined for the U.S. market are exempted from the 22 percent surtax imposed on imports to the United States. As a U.S. insular area, the CNMI is eligible for Caribbean Basin Initiative treatment on products exported under schedule 8 of the U.S. Tariff Schedule. Headnote 3 (a) allows the CNMI to import "value added" manufactured goods to the U.S. mainland duty free. This trade benefit has allowed the CNMI economy to diversify somewhat. Garments and textiles are manufactured for export.
A comprehensive study of the impact of alien labor is under way in the CNMI. On December 3, 1992, the CNMI and the U.S. Department of Interior agreed to a joint federal/CNMI study of the impact of alien labor. On May 26, 1993, the CNMI was awarded an US$80,000 DOI grant to commence the impact study.


The Commonwealth Health Center reported a 1991 cost of US$3.6 million to provide services to foreign workers. Of this amount, US$665,000 was recouped in payments directly from non-resident worker patients and their employers. The shortfall resulted from a low hospital rate structure that has now been revised upward in an effort to fully recoup costs. All medical costs are borne by the employer of non-resident workers by CNMI law. The CNMI Dept. of Public Works estimates additional cost for solid waste, because of non-resident workers, at US$122,000. Additional maintenance and construction of roads due to workers is approximately 1 percent of total costs, or US$20,000. Factories do not receive discounted rates from the CNMI power, water, and sewage treatment utility (CUC). Payment of utility bills by factories represents the total cost to CUC for supplying services.

Total government cost to support the industry (US$3,077,200) subtracted from total contribution of fees, taxes, and stimulation of other sectors of private industry (US$33,664,234) leaves a net annual contribution to the CNMI economy of US$30,587,034.

Approximately 2,000 workers in a hotel industry paying upward to US$14 million in annual taxes and fees.

On May 24, 1993, the CNMI acknowledged receipt of a technical assistance grant from the U.S. Department of Interior Office of Territorial and International Affairs to: "Evaluate and identify fiscal costs and benefits of foreign workers to the CNMI economy and recommend strategies aimed at providing adequate public facilities and which encourage positive economic growth."

In 1991, an estimated 445 babies were born to non-residents in the CNMI. Babies from resident Chamorro, Carolinian, and Chamolinian parents totaled 546. All babies born in the CNMI become U.S. citizens. Most non-resident workers take their CNMI born babies back to the home country.

From the outset, the CNMI objected to imposition of U.S. immigration law in the islands. It was feared that an immigrant flood might enter
the Commonwealth. In 1974, when the CNMI's founding fathers objected to U.S. immigration law there were 170,000 potential immigrant aliens in the eastern hemisphere. Immigrants become citizens. Citizens vote. They tend to vote in ethnic blocks. When the immigrant-citizens obtain the majority they take over. The small indigenous population (23,000) would be easy to overwhelm.

34 On April 1, 1993, Representative Elton Gallelgy of the U.S. House of Representatives House Subcommittee on Insular and International Affairs introduced a bill in the 103rd Congress that would remove the CNMI's right to control its own immigration and, instead, called for imposition of U.S. federal control. Though a Commonwealth member of the U.S. political family since 1978, most parts of the U.S. immigration laws have never applied to the CNMI. And for good reason. Sufficient foreign labor cannot be imported with U.S. law. The labor is needed for the CNMI's modern economy to survive. Mr. Gallelgy's bill would eliminate almost all foreign workers. CNMI industries are labor intensive. A US$88 million a year hotel industry closes. A US$204 million a year garment industry is snuffed out. And US$32 million in government revenues passes away.

35 The United States and Commonwealth Constitutions contain numerous protections for aliens. The U.S. Fourteenth Amendment Due Process Clause, for example, and the extensive case law interpreting that clause, protects CNMI aliens. CNMI v. Atalig, 723 F. 2d 682 (9th Cir. 1984). The Fourteenth Amendment's Equal Protection Clause also applies to CNMI aliens. Wabol v. Muna, 2 CR 963 (1987); Sirilan v. Castro, 1 CR 1082 (1984). The CNMI Constitution contains similar protections. Article I, Section 6, for example, states that "No person shall be denied the equal protection of the laws." Article I, Section 6 applies to alien workers. Kin v. Government of the CNMI, 3 CR 608 (1989).

36 During the course of a highly publicized U.S. Dept. of Labor suit (overtime pay violations) against local CNMI garment factories, media accounts referred to "slave labor" in the CNMI. While the Commonwealth government steadfastly rejects the notion that anything close to slave labor exists in the Commonwealth, some employers have denied overtime pay; failed to provide sanitary housing and safe working conditions; failed to pay for medical benefits; denied some employees freedom of movement; temporarily taken away passports; made unlawful deductions; and even on occasion been guilty of physical abuse of non-resident workers.

37 Between 1989-91, 825 labor cases were filed with the CNMI Dept. of Commerce & Labor. Between 1990-91, C&L conducted 604 labor investigations. In 1991-92 more than 30 employers were barred, temporarily or permanently, from hiring non-resident workers due to labor viola-
tions. Almost 95 percent of labor cases filed with the Dept. of Commerce & Labor are resolved by, either through monetary reward or judgment and sanctions, repatriation to country of origin.

38 The CNMI Governor requested that the local legislature enact a human rights act. The executive request measure is now pending with the Eighth Northern Marianas Commonwealth Legislature as H.B. No. 8-193 the Commonwealth Human Rights Act. The Governor has also called upon CNMI churches to lead a moral reform to help change the public attitude toward foreign labor. The Catholic Church of the CNMI has begun to organize around the issue.

39 The greater share of foreign workers (66 percent) in the CNMI are Filipino. The CNMI permanent residents share many cultural, social, and religious habits with the Filipinos. There are common historical connections with the Spanish and the United States. Over the years there has been a high percentage of inter-marriage between Filipinos and the indigenous population. Frictions and social costs, though still present, have certainly been eased to some degree by this similarity between CNMI locals and its largest group of non-resident workers.

40 In a compilation by CNMI's Economic Services Counsel, Saipan had a 1989 cost of living index of 273, the United States only 190. For this same year the CNMI cost of living rose almost 11 percent over the previous year 1988, while the rise was only 4.8 percent for the United States. Food and beverages, housing, utilities, apparel and upkeep, transportation, medical care, entertainment, other goods and services are all generally higher than a comparable state-side community.

41 See 3 CMC 4424(c). "Commonwealth Non-resident Worker Fee Fund." Annually, the CNMI collects approximately US$2 million in non-resident worker fees. Employers—both foreign and local business people—pay these fees for non-resident worker applications. The money funds a vocational training program under the auspices of the Northern Marianas College. The college trains local people (922 enrolled for spring semester of 1992) for accounting, carpentry, and mid-management and technical positions in the tourism economy. The idea is to replace foreign workers with local people. Local law, 3 CMC 4413, provides resident workers shall be given preference in employment in the CNMI. Non-resident workers shall be employed only as necessary. At least 10 percent of an employer's full-time work force must be resident workers, and the minimum percentage must increase 2 percent per year until such time as the resident workers comprise 20 percent of the employer's work force. 3 CMC 4436.
Mr. Chairman, your excellencies, distinguished delegates, ladies, and gentlemen.

The Conference theme "Sustainable Development and Population" is the slogan coined over the last two years, which has given prominence to the global concern over environment. I reaffirm Papua New Guinea's support for the United Nations initiative on environment, which led to several rounds of negotiations and eventual signing of the various conventions at the Rio Summit in Brazil in June 1992. As a signatory to the various conventions including the convention on climatic change and Agenda 21, I should remind this meeting that it is a joint obligation of both the developed and the developing countries to initiate necessary policies and programs to contribute to the achievement of the overall global objectives.

Uniquely among national constitutions, the Constitution of Papua New Guinea declares that the conservation of the country's natural resources and environment is a national goal.

In words that describe what has subsequently been called "sustainable development," it requires every government, irre-
spective of personal or party make-up, to swear that the country’s natural resources and environment are used—and I quote:

For the collective benefit of us all, and . . . replenished for the benefit of future generations.

The pledge applies to resources and/or in the land, in or under the sea, and in the air.

Thus every person in Papua New Guinea—government, private citizens, and foreigners alike—is subject to the Constitutional obligation. Again, I quote:

To themselves and their descendants, to each other and to the nation. . . .

To safeguard the national wealth, resources and environment in the interests not only of the present generation but also of future generations.

Thus the government signed—and the National Parliament has since ratified—the agreements reached at the United Nations Conference on Environment and Development (UNCED).

At a national post-Rio seminar, convened in Port Moresby less than five months later, plans were outlined, and a commitment was made, to prepare a strategy for sustainable development in Papua New Guinea. Prior to the Rio conference, Papua New Guinea organized a pre-Rio seminar, which aimed at informing the general public of what the Rio conference was all about.

A post-Rio seminar was organized in November 1992, which again aimed at not only informing the public but also outlining in detail Papua New Guinea’s obligations arising from this seminar and the conventions that Papua New Guinea subsequently signed. Among other important recommendations, the seminar recommended the engagement of a consultant to identify and list projects including the establishment of a national sustainable commission that will be charged with overall coordination and implementation of environment related activities.
In addition, in August 1993 the bi-annual Waigani seminar organized by the University of Papua New Guinea will also focus attention on this important issue.

Giving effect to the principle of sustainable development is not just a matter of ensuring that particular developments can be sustained on a nation-wide basis. In common with other signatories of the Rio Declaration on Environment and Development, the government of Papua New Guinea believes that our citizens have a right to development: a legitimate claim to ongoing improvement in their lives.

Development is not, we believe, a matter of bringing about a particular change, or even a set of changes. It is not simply a matter of reaching a certain stage of economic—or some other form of—growth. The kind of development envisaged in the Papua New Guinea Constitution has more than purely, or narrowly, economic, industrial, or technological aspects.

Papua New Guineans are committed through the national goals and directive principles to integral human development and to development. In the words of our Constitution,

> Primarily through the use of Papua New Guinean forms of social, political and economic organisation.

In a similar fashion, the government believes that sustainable development means making provision for future growth: in population, needs, and aspirations. It is the process of development itself that ought to be, in principle, sustainable—and, in practice, sustained.

That process, in turn, requires opportunities for participation, the theme of a major initiative that the government of Papua New Guinea has proposed at the United Nations—and for which we look to the governments represented here for support.

As the Minister responsible for public services, including training, I feel bound to add that capacity building is certainly an important key.
In a statement made in Toronto, Canada, in 1989 by the chairperson of the former Commission on Environment and Development, Mrs. Brundtland made a cogent observation that governments need to adopt, and I quote:

A new political approach to environment and development, where economic and physical policies, trade and foreign policies, energy, agriculture, industry and other sectoral policies all aim to produce development that is not only economically but ecologically sustainable.

The Papua New Guinea government’s proposal of a United Nation’s sponsored study of opportunity and participation, with particular reference to the economies of developing countries, is not only consistent with, but likely to be useful in fleshing out, options to assist in giving effect to such an approach.

The strategy for sustainable development being prepared for Papua New Guinea is also consistent with—and intended to realize nationally—what Mrs. Brundtland has proposed more generally. In fact, many of the elements essential to such a strategy are already in place. Others are being research, in draft form or under active consideration.

In a country endowed with the rich human-cultural, geographical, and biological diversity, the task is immense. It is made even greater by the variety of natural resources identified, as well as the economic activities already developed or being planned. The proposed national strategy for sustainable development is unlikely to make detailed provision for all possible contingencies. But it ought to provide a basis for a comprehensive and integrated approach.

I want to say here that every development—be it mining or be it petroleum or be it a factory—each must be by law, each must get approval from the developmental conservation before any development can go ahead. Without that approval it is illegal, it cannot
be done. Thus Papua New Guinea is party to a large—and increasing—number of international arrangements concerned with environmental conservation, prevention of the pollution of the natural environment, and the sustainable development of resources such as fish.

Examples of particular relevance to the South Pacific include the Convention for the Protection of Natural Resources and Environment of the South Pacific Region ("The SPREP Convention"), protocols dealing with the prevention and combating of pollution, and the South Pacific Forum Fisheries Agency Convention. Other regional arrangements that benefit Papua New Guinea include the United Nations' sponsored ban on drift-net fishing, as well as the quotas, terms, and conditions for tuna fishing set under the South Pacific Regional Fisheries Treaty with the government of the United States.

While I am on the subject of environmental protection in the South Pacific, I trust that our hosts will understand why my presence here in French Polynesia will not allow me to forget—indeed, it reminds me of—my government's long-standing concern with the negative effects of French nuclear testing on Mururoa Atoll in particular and on the wider regional generally.

We welcome the initiative and I quote,

The French government has said that conservation is not national but international and France is part of it.

And again I quote the President of French Polynesia,

that we have the sea from the north to the south to the east to the west. These are seas that we in the Pacific islands live and this is our resource.

We welcome the initiative taken by the French government to place a moratorium on nuclear testing. However, we urge the French government to consider complete cessation of testing in the South Pacific. We are strongly opposed to any possible re-
sumption. That includes any dumping of any nuclear waste from any other countries.

Like other members of the South Pacific Forum, the government of Papua New Guinea also remains concerned at the use—and opposed to the continuation—of Johnston Atoll for the risky purpose of storing, dismantling, and destroying chemical weapons from other parts of the world in our region.

I wish to stress that the conclusions reached at this meeting should be drawn to the attention of the relevant United Nations body that should take into account the concerns of the South Pacific region.
TONGA

A BRIEF ON TONGA AND SUSTAINABLE DEVELOPMENT AND POPULATION: A PERSONAL VIEW

The Honorable Dr. Langi Kavaliku
Deputy Prime Minister

Tonga has a population of almost 100,000 people (living in Tonga), a land area of 257 square miles or 720 square kilometers. In terms of Exclusive Economic Zone (EEZ), it has about 700,000 square kilometers. The density of population is 390 per square mile or 140 per square kilometer.

Like most island states in the Pacific, Tonga is a remote island economy with limited resources and a small domestic market that provides limited opportunity for growth. Furthermore, with a rather narrow base economically, Tonga depends now, and even much more so in the future, on its ability to export.

The economy is in general rather fragile, and shifts in the domestic section, especially in the external sector, even if relatively minor, affect Tonga greatly. The interdependence factor that Tonga is remote but part of the global community is quite obvious. At the end of the day Tonga's future depends upon how effectively it can compete in the global marketplace.

Tonga, I believe (and this is a personal view only), has reached a stage where sustainable development and population are critical issues. With a very young population, a very high population density, a limited land resource, a growing deficit situation, a
very large public sector, a still weak private sector, and a very heavy social service program, the pressure on limited resources, both natural and financial, is very great.

In order to survive and grow, sustainable development is an essential policy issue. Indeed, if it cannot be comprehended and implemented in all aspects of life in Tonga, the future looks rather less than desirable.

Tonga's approach at this stage is to try to get the economy growing at a faster rate—about 4 to 6 percent at least—while developing and deciding on sustainable development and population for the future. The mechanisms are in place, for example, family planning and population education, environmental policies being developed, conservation measures being examined, resource data in the making, human resources development, etc. Once the economy is moving again at a higher rate and the mechanisms and information are at hand, then decisions will be made. Until then, and hopefully only for the next two years or so, it is the environment of poverty—in relative terms—that we are emphasizing.

It is my view that most issues facing Tonga and indeed the rest of the Pacific are both immediate and longer term. Because of a young population and because of the relatively weak employment creation sector, emigration is a critical issue in the immediate situation in Tonga. Because of the rather narrow economic base, the remittances from Tongans overseas become a crucial factor in the economic survival of Tonga. Perhaps Tonga should consider human resources as an export factor or train people with skills not only for the national needs but also—perhaps more so in numbers—for export. Perhaps it should redevelop a Work Scheme with New Zealand, Australia, Papua New Guinea, and others. On the other hand, employment creation is a longer-term issue that needs sound sustainable policies; investment financially, socially, and politically; and human resources development. Tonga is trying to do this now, but its effects will not be felt for a number of years.

From an employment point of view the greater the size of the public sector the better. And perhaps for the time being—with a
still weak but developing private sector—this is a necessity. But plans should be put in place for a re-orientation and reduction of the public sector to make it more efficient and productive. Even with its present size, it should be made to be more efficient and productive.

These are some of the problems and issues that Tonga is concerned with. At the end of the day, the central issue comes to goals, resources, management, and the time factor—past, present, and future. And sustainable development and population are critical in any context.

Sustainable development and population mean a question of time and continuity, goals, and resource management. Since the 1960s economists, planners, politicians, civil servants, businessmen, et al., talk of growth, then development, then resource management, the integrated approach, and now, originally because of the environment, sustainable development.

The utilization of resources in the past has affected the global community. In the past, and for quite a number of developed countries, resources within those countries and in other places in the world, were utilized in, of, and for the developed countries. We now have pollution, waste disposal issues, global warming, scarce resources, and the need to think of the future. Our turn to utilize our resources in, of, and for ourselves is now “controlled” by those who had created the problem because of the issues raised above. For those of us who are concerned with the “environment of survival as a nation” we are pressured by the beneficiaries of the destroyer of resources in the past to think otherwise. Yet often they do not provide us with alternatives to our using those resources for survival.

Sustainable development and population to me, however, are not just a case of material things but a matter of living conditions, standard of life, and lifestyle—what many refer to as “quality of life.” It is an issue of attitude, a philosophy of life. The issue at the heart of the theme for this Pacific Islands Conference is the style of life, the standard of living that each of the island countries chooses for its future goal. Even as we meet now developments
differ from island nation to island nation, and each has achieved its own level, which is not the same as others. Indeed, the Pacific islands are at different levels of development, not just the rate or the direction.

I believe that the major question when we talk sustainable development is the best standard of living, the best quality of life that our countries' resources can afford for now and the next two generations. It is my view and hope that the ingenuity of mankind would develop new resources during the period of the next two generations to continue affordable development. Without continuing change and growth, mankind in the Pacific islands will be facing personal, social, and natural disasters.

Many of us here today may think that the views expressed are unrealistic, fatalistic, and perhaps even defeatist. I am not advocating a search for roots because I assume that all of us in the Pacific islands are fortunate enough yet not to be Taumulivalea.* I also assume that all of us accept as a fact that life continually changes and that we cannot and should not "go back to the past," to be nostalgic about the "classical Pacific period" though different from one society to another.

My concern is that we talk here of development, of sustainable development and population as we do everyday of our normal lives in each of our countries. Yet have we really seriously sat down and thought out what standard of lifestyle each of our countries could afford knowing our material, social, and spiritual resources?

Perhaps the Club of Rome with limits to growth advocated in the 1970s and '80s may have seemed out of place at the time, but I believe it may be a sensible view and message at least for the Pacific islands; that is, we cannot afford not to think about limited resources, limits to growth—sustainable development. Indeed, if their message was not correct, why are we here today seriously discussing the issues involved and the need for sustainable development?

* Taumulivalea: This Tongan saying means that "one does not know from whence one sailed" or one does not know his or her roots.
In 1984 the Australian government published a report on the findings of a government-established team. The report implied that of the Pacific island countries studied, two will make it, four may make it, and the rest will not make it. I assume that the yardstick used was the normal “western” form of standards that others including many Pacific islanders automatically assume to be the goal of national development; that is, the “western” standard that we assume the people want and need.

The World Bank in its findings on the Pacific islands in 1993 reported that our economies grew at an average of 0.1 percent of GDP during the last decade. Other island economies in the Caribbean and Indian Ocean grew at 2.6 and 3.4 percent during the same period. The population growth rate during the 1980s in the Pacific islands averaged 2 percent during the same period. We blame the strategies and methods because they are based on western experience. The experts say that the failure is due to population growth, cultural issues, leadership problems, socio-political shortcomings, lack of capital investment, primary produce production over manufacturing and other commercial and industrial activities, etc.

Yet we have not sat down and asked ourselves what is the best course to take considering the resources available to us and at the same time what is both achievable and sustainable, is comfortable, meets our needs, is of our own making, and finally is something to be proud of. The past and the present have seen and continue to see in changing forms the imperialism of western ideas and values, because for the time being they are seen to be the most successful and most powerful, and they are forced on us and most of the time accepted as “human rights.” Waves of nationalism and religion and now what is basically a religio-civilization wave are dividing the world. Positive thinking in the relativity centered philosophy of the west is moving through the world from western societies and their aid programs and education, and also the international agencies are forcing us to believe that certain things are universal regardless. What is regarded as best is what I want as long as I have the numbers game in my favor—substantial minority in a national and international arena. Legality is the basis of life, and technicality within the law becomes the fact of life.
These are some of the issues that provide information for decision making when we sit down to consider what is best—as we should—for us in view of sustainable development. What is important is that we must make sustainable development the basis for our approach to living and the future. And that must be, in the final analysis, a question of goals based on affordability over a long period of time.

It is my view that we in the Pacific islands, and in developing countries in general, are forced not only to consider but also to act on sustainable development because we are "late comers" to the global community. The western societies had used in the past and indeed even now use our resources, willy nilly without control, in, of, and for their own behalf. We now want to use our resources for development, but we are told and often forced not to do so because they are global property, and our world will suffer and our future—our children and grandchildren, etc.—will suffer dire consequences. Moreover, if we do, our children will not enjoy the life we enjoy.

I am reminded of the answer given by the Prime Minister of Vanuatu when pressured by environmentalist groups, and that is that he was fully aware of the environment issue but his priority is the environment of the poor, of survival. In my case I met a team from a metropolitan country that visited Tonga and other Pacific island countries to assess the local situation and make recommendations about what should or could be done. Discussions centered for several minutes on environment and conservation. I agreed with the views expressed, but I told the team that unless I could find and am able to work out another alternative, I cannot act on what they and I consider the best approach. The team had no alternative to offer nor did they offer any in their final report. Perhaps they did not care to do so or were unable to do so for other reasons.

Perhaps they should experience—not the experience of giving aid or volunteering to feed babies and the poor and then returning to their comfortable homes—but rather the experience of living in the environment of the poor, of survival, of choices for living today or dying and let others who may survive live the tomorrow.
Life is not all poor fortunately, but we should think about the poor in a different light in terms of resources while we build (reforestation, etc.) for the future including their future. After they survive they could become part of the rest in terms of sustainable development and population and environmental concerns. In the Pacific we should consider sustainable development as being critical but also as being selective in relation to the use of resources especially if we cannot offer alternatives that will allow others to develop as they believe they should.

Pacific island countries and we, as Leaders of these countries, are concerned with the development of our countries because of the need to improve the welfare of those whom we serve. Most of the time we are concerned with a pragmatic and realistic approach to life. We are and we must be absolutely concerned and involved in ensuring that the people are getting the best chance possible to earn and create the living to which they aspire. For us as Leaders our own survival as political Leaders is dependent upon our ability to allow people to meet those needs.

I admit and accept that these things are our responsibilities and we must meet them. However, I believe that while we meet those responsibilities day in and day out, we should together with the people give more time to working out creatively and in concrete terms where we should be going given the realities of our own situation in terms of resources, management, etc., and what each of our countries can afford over time, not just today.

We must assess the resources available to us and see what level we can achieve and then push it. Development is not going to be even, in spite of equity of distribution, etc. But what we must ensure is that all people are moving up and getting better standards than what they had before. The same picture is true of the Pacific islands. In the case of Tonga, there is no way that the outer islands will be the same as Nuku'alofa, but they must at least achieve living conditions and share in the resources of Tonga. They must move ahead on their own to a better standard in spite of the differences.

Answers to the issues raised by our theme, “Sustainable Development and Population” cannot be provided today, and solutions
may take a long time. In many ways I hope that we will not be able to provide complete solutions soon. It is my view that we need to be reminded all the time that there are limits—in terms of our resources and global resources that may be available to us—and that each generation must live with the past, its heritage, and participate in the present, the basis on which the next generation will live.

This, in my view, is the first message of sustainable development and population. The second message is that to live a good and enjoyable life is according to one's own philosophy of life, values, and lifestyle and pride in being Tongan, Samoan, Tahitian, or whatever you are and not a Pacific version of what is "western" and "modern."

I found the theme of this Conference and the way that it is phrased rather intriguing principally because population is, to me, an essential factor in and of sustainable development. Indeed, sustainable development could be meaningful only if it is a case of growth, resources, management, philosophy of life and living, and population in the context of affordability in the past, present, and future. However to me, it signifies that population is critical in terms of physical beings and resources and as thinking beings—the only factor in the sustainable development formula that will affect the outcome, the failure, partial success, or success of our movements toward a better future for each and every human being in the Pacific island countries.

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Mr. Chairman, distinguished Leaders, ladies, and gentlemen.

It is a great pleasure for me and my delegation to participate in this meeting to deliberate on a theme that is relevant and of great significance to us in the Pacific. Collectively we are handicapped with varying degrees by our small size, geographical fragmentation, remoteness from major island urban and metropolitan centers, and few or hard-to-exploit natural resources. Lacking the necessary inputs and facing other constraints, long-run economic sustainability becomes even more elusive especially for the island countries. Fortunately, the future is really not that bleak.

The pressure on atoll governments to produce sustainable livelihoods has been steadily increasing as a result of rising rates of population growth and hence population densities. This situation is compounded by the backlog of unattended needs in job creation, sanitation, education, health, and other social services. The declining output in the subsistence sector has not been sufficiently counterbalanced by growth in wage employment opportunities. The dilemma is mitigated by the over-extended financial capability of our countries to address pressing social objectives and environment concerns.
Living in close harmony with the environment (nature) is basic to the survival of the people of any Pacific island nation. In Tuvalu our cultural and traditional values require us to cultivate our gardens using organic manure and to use fishing methods that will satisfy the daily needs of the family while assuring enough stock for the next fishing trip. This is subsistence living, in its simplest form.

Against this simple way of living, the attainment of Tuvalu’s nationhood some 15 years ago was confronted by the challenging task of reconciling the traditional order with the need to expand services and infrastructure, thought necessary to augment/promote economic development as we strive to achieve more economic independence. Over the years, however, national development plans have worked only to the extent that we are now ever more dependent on outside assistance to provide for maintenance and aspirations brought about by modern nationhood. Admittedly, the importance of development programs based on population and environment that lead to rising and sustainable levels of livelihood has been assigned low priority, if not ignored, during the early stages of the country’s development.

This concern is long overdue; the recognition of which, however, has resulted in our recent refocusing of development programs to ensure that activities are compatible with the environment. Therefore, two of the prominent focal sectors of Tuvalu’s current strategic Medium-term Economic Framework Program (MEFP) development approach are (1) the proper management of the environment and (2) human resources development. Under the latter, a comprehensive population policy is being developed, facilitated with the kind assistance of the United Nations Population Fund (UNFPA), to address population growth and geographical distribution on the islands. Consequently, a policy that will provide for the implications of a growing population on the environment will be put in place.

Sustainable development, as such, is very close to us whose existence has been based on the small and poorly endowed atolls. In fact, it has always been part of our life and culture. As such, the proper extrapolation of traditional methods of living into devel-
opment policies is indeed vital if long-term sustainable development in the fragile economy is to be assured.

One cannot talk about, nor operate on, issues of sustainable development and population without direct references to environmental concerns. Both are interchangeable, and, no doubt, environment will be the "catchword" as we sail into the 21st century.

If the island states of the Pacific have not been disadvantaged enough by the nature of their respective geographical situations, the threat that is posed by impacts of global warming and climatic change have further aggravated the plight that is being faced by these beautiful islands of ours. Already faced with the invasion of population growth, as against meager resources, our islands are increasingly experiencing frequent natural disasters, like cyclones, tidal waves, and drought, which have caused severe damage to properties and left hundreds of people homeless and totally displaced. Coast lines and coral life—basic to the riches of our oceans—are now being endangered by global warming. Sustainable development and environmental security are not matters for public debates nor politics. For us in Tuvalu they are matters of sustainability.

The effects of climate change on the future of economic development in the islands are alarming. The increased frequency of cyclones in the islands, and elsewhere lately, actually shy-off the insurance industry from the islands and hence potential investors, due to the reluctance of insurance companies to cover investments in places highly susceptible to climate change.

In view of these implications, Tuvalu has strongly supported global efforts in addressing issues of climate change at regional and international levels. We support programs such as the United Nations Development Program's (UNDP) environmental program for which Tuvalu has benefited under the National Environmental Management Strategies (NEMS) project, and soon we will participate in its biodiversity program.

Despite these efforts, however, the follow-up to the Rio Summit is not encouraging. One disappointment is the lack of financial
commitment to the Global Environmental Fund as indicated in the Summit. But we especially note the inertia in policymaking on the issues relevant to climate change on the part of the industrial countries that are the largest contributors to the cause of climate change.

During my recent mission to the United States and the United Nations in New York, I further made an appeal to the industrial nations, especially to the Group of Seven (G7) leaders, to seriously consider three proposals that are vital to the proper addressing of climate change issues:

1. that an emergency conference be called to review emergency actions on the impacts of climate change,
2. that the G7 take the lead in creating a UN agency on renewable and efficient energy technologies,
3. that the G7 leaders set immediate targets of at least a 20 percent reduction in carbon dioxide by year 2005.

Indeed, while submitting these proposals to the industrial countries, I am fully cognizant of the sensitivity of the implications on their economic development policies, including those of some developed developing island nations of our region. I call on the understanding of our big regional brothers. I also note that already the technology for developing alternative but renewable energy generation is now available—I refer to renewable sources like solar energy.

What we need is more investment to develop the technology to enable us to have a more harmless effect and hence sustainable development, on the environment.

There is a case for us as first victims of this climate change (although we are not contributing to its cause) to continue to underscore the devastating effects on our small islands if we are to assure the future of our development and that of our children and their children.

How do we promote sustainable development? Part of the strategy in my opinion is to build sustainable development into
policymaking, but policies must be realistic and transferable to local conditions and meet local needs, lifestyles, and economic-oriented expectations of the community. In the extreme, sustainable efforts must embody a cradle-to-grave approach for each sector itself (social, economic, ecological, etc.), and compatibility must exist among them all to achieve sustainability.

In theory these suggestions could be put into effect. But we know too well the reality of the matter. It is a fact that the problems facing humanity are complex and interdependent. None of these problems—the debilitating inequalities of development, the apocalyptic threats of atmospheric warming, ozone depletion, the oppression of women, to name but a few—can be realistically addressed without considering all the others. None can be fully addressed without a magnitude of cooperation and coordination at all levels.

The complexity of the issue, however, is that not only do our future generations inherit the fruits of our development initiatives of today, but also they are hurt by our ineffective resource use and pollution.

I have full confidence that the deliberations of this Conference will go far in making recommendations for development policies that are sustainable for the Pacific island countries.
VANUATU*

The Honorable Maxime Carlot Korman
Prime Minister

Thank you to President Gaston Flosse and Prime Minister Geoffrey Henry for the invitation to the Vanuatu Republic to participate in this Fourth Pacific Islands Conference on Tahiti territory.

Even though 1990 was the year of Vanuatu's official membership to the Pacific Islands Development Program (PIDP), it is the first time that the government of Vanuatu is participating in the Pacific Islands Conference of Leaders. This meeting is an occasion to meet at a political level to exchange ideas and propositions about tomorrow's development in our region. Similar situations also arise in the South Pacific Forum and the South Pacific Commission.

Although we recognize and support the principle and the mandate of these different meetings of the Leaders, it is also wise to remember from time to time that we have limited resources on the Pacific (or Oceania) scale. The principle of complementarity must be recognized in the programs of different regional organizations. It is under this principle of complementarity that my government fully participated in playing its role of member on January 26 and 27, 1993, at the 20th Standing Committee at the East-West Center in Honolulu.

In September my country will host a conference on population and sustainable development. The United States is organizing this

* See Appendix XIV for the original French text.
meeting for our region. Because the theme of this Fourth Pacific Islands Conference is "Sustainable Development and Population," I will therefore comment here on population problems.

My country, the Republic of Vanuatu, is, from a traveler's viewpoint, a happy country. Our population is charming everywhere in the Pacific and also very strong-minded. The per capita income is low, approximately US$1,200 per year including expatriates, and probably no more than US$600 per year if we take just the Melanesian economic arena into consideration. However, our social structures are strong enough and our agriculture is sufficiently extensive to avoid the sudden appearance of social problems.

Unfortunately, without a change in the current trend, we are headed for catastrophe.

Our population increases at a rate of approximately 3 percent per year. In a 1967 Census we had 71,000 Melanesians, and 140,000 in 1989. Thus the population doubled in 20 years. At this rate, we will have 300,000 people in 2010. That is tomorrow. In the 1920s, at the lowest point of the long slump of the population that started in the middle of the 19th century, we had only 40,000 people.

In India, these numbers would appear to be ridiculous. However, at our scale, they are overwhelming. I use the word overwhelming in its two meanings:

- First, the possibility of the best—the most wonderful thing for a country like ours, that almost died, is this renewal of vitality.
- Second, the apprehension of the worst: how are we going to provide education, health, jobs, a future to all our youngsters when we are not able to do it for the current generation?

What kind of political economy should we follow for our small islands in order to assure an annual rate of growth of at least 7 percent, that is, just 4 percent in real growth?
Today, some Asian countries succeed in sustaining this growth, but what should we tell our population for whom economic growth is a synonym of breaking away from traditional social links and introducing urban problems, pollution, and foreign investment, which we must promote for the well-being of the country.

I will repeat, today Vanuatu is a relatively happy country. But already, some islands are overcrowded and their population is migrating toward the main city.

On the other hand, some islands are completely depopulated because their population cannot handle isolation and the absence of infrastructure anymore.

I need to be frank here. At the end of my political mandate in two to six years, the situation will be a little more difficult. But if I correctly accomplish my job as a responsible person of this country, my country, by creating infrastructure and by being attentive to my compatriots, I would have contributed to keeping or giving hope. However, are we not afraid that one day hope will not be strong enough considering the magnitude of our problems? And then, what will the future population think of us?

I know that the situation of my country is not unique to our region. Therefore, I would be happy that in the future we exchange ideas on this matter.

I personally do not have any solution. I simply have two feelings:

**Short-term:** As I just said, we need to create an environment as favorable as possible for economic development by:

- creating infrastructure for communications
- including in our speech and our attitudes the two fundamental and traditional elements for our social cohesion: (1) agriculture and (2) family ties.

This is very important. And this is a service that we must provide to our populations.
Long-term: We cannot succeed individually. A policy of birth control, for example, evidently gives rise to rejection. If one of us implements a policy of birth control and another one rejects it, how can the population understand?

If some of us suggest that agriculture is the only means to create jobs for everyone, and others maintain that, on the contrary, island agriculture does not hold any future, how can people have hope, work, and invest in this field? As the Prime Minister of Tuvalu told us before, when we are subjected to natural catastrophe, such as a hurricane, the agriculture in our small islands is ruined for at least six years. It is very important that the regional and international organizations that want to help the South Pacific region are aware of this in the Pacific environment context.

International aid is necessary. How can we hope that a country with only tens of thousands of people can be successful in mobilizing big international organizations?

As the Prime Minister of Fiji reminded us, it is always possible to be heard, and we all have a seat in the United Nations. Let us work hand in hand, let our voice be heard by the regional and international organizations that want to help the South Pacific region.

I do not know yet how we should go about it. I do not know yet how we should cooperate. But I know that this cooperation, this mutual proximity is essential.

Vanuatu has played a role—like all of us—in the Rio Summit on sustainable development. Because of the population explosion all around us, we need to work together in the future, to conserve to the extent possible, our customs, our lives—but it is certain that we can no longer create an environment of life in the past.
Mr. Chairman, Pacific Leaders, heads of delegations, and colleagues. Talofa lava and greetings from Western Samoa.

I would like to share our views and experience on our theme of "Sustainable Development and Population."

While there is general agreement on what "population" means, the term "sustainable development" as a concept is still in the process of being examined and defined. The term nonetheless has gained currency and popularity not only with environmentalists, economists, development planners, and academia in general but also with the administrators and governments that are adopting it. This is no doubt a consequence of the reaction to the fact that modern accepted development theory and practice—while it might have increased incomes and delivered more and a greater range of goods and services—have done this at the expense (too great an expense) of our natural and cultural environment and have not always improved the quality of our lives.

Like others we have studied some of the literature on this topic, and we have found the discussion in this literature very useful in focusing attention and raising a sense of urgency in coming to grips with this common problem. We have also found it necessary to examine our own past development performance and policies to identify where we have gone wrong and what we have not done right.
The outcome of this review brought out a number of common factors to be taken into consideration if economic growth and development are to be sustained over time. Some of these include:

- the maintenance of the environment and its resources
- the protection of culture and traditions
- a people-oriented process, taking into account equity in distribution and quality improvement.

While thinking about the various views and considering what might be the desirable elements of a sustainable development strategy, I could not help but feel a certain sense of irony at the situation we have found ourselves in. While the terminology is certainly new and the concept appears complicated, I do not think the notion of sustainable development is new—it is perhaps more of a lost art.

If sustained development means the ability to develop and progress without exhausting natural resources, damaging the environment, and degrading culture, customs, and traditions—and if we accept our own local traditions and the findings of some anthropologists and archaeologists that there existed civilizations in the Pacific in times before Christ—then it becomes very evident that our ancestors were successful practitioners of sustainable development for over 2,000 years.

No account exists, oral or written, to our knowledge at least, of any complaints, at the time of contact with Western civilization, that our ancestors, in developing their civilizations, have depleted natural resources, ruined the environment, limited development choices, or degraded our culture and traditions. In fact, quite the reverse—local generations of that time, particularly our visitors, thrived on the bounty our ancestors bequeathed.

It is therefore sad to note that after less than 200 years of espousing more modern and advanced development methodologies and practices, we are in grave danger of bringing about our own ruin.

If history does go in cycles, this is probably what has happened, we must be able to rediscover the harmony and balance our an-
cestors established with nature, the economic, social, and cultural environment while developing over the centuries.

This is not to say that we should go back to the past or denigrate the development work that we have pursued in most recent times to improve our lives and those of our peoples. Rather, it is to say that there could very well be lessons both for us in government and for the students of "sustainable development" from the development practitioners of our past and that we should be more discriminating and cautious in accepting and adapting concepts and methodologies introduced from outside our environment.

Now back to the present and the future! What has been Western Samoa's experience and what is it doing regarding sustainable development and population?

Cyclones Gina (in 1989), Ofa (in 1990), and Val (in 1991) disrupted the completion of our Seventh Development Plan, which was subsequently launched in early 1992 for the triennium 1992 to 1994. This interruption, in hindsight, was an advantage in that the plan is built on the experience and the lessons of these destructive natural calamities.

When this strategic plan was drawn up, it was necessary to review the failures and successes of the previous two plans and to identify, where possible, the reasons for the failures and successes and to draw lessons from them for use in the current plan.

The analysis of the team of economists and planners concluded that the objectives of the previous plans aimed to achieve:

- sustained economic growth and an improved quality of life for all
- a greater degree of national self-reliance
- an improved regional balance
- an equitable distribution of socioeconomic opportunities
- the protection of the environment.
It cannot be claimed, they said, that we had made impressive progress in the past decade toward achieving any of these objectives despite significant spending by the government on development.

Matched against these objectives, the team found that over the plan periods:

- The economy had been stagnant;
- While the quality of life was good, it had not significantly improved;
- Consumption had outgrown production, the balance financed mainly by remittances;
- Savai‘i was now on par with Upolu with respect to most economic and social development indicators;
- The majority of Samoans were dependent on subsistence activities while a few families with established commercial interests were well placed to take advantage of investment opportunities;
- Statements of intent with regard to the environment have yet to be translated into action although the requisite policies and legislation were in place.

Time does not permit discussion of the details of the sectors and activities that worked or failed, but guided by the lessons of this exercise and the experience of our regional island neighbors, we proceeded to formulate a set of objectives that would be more precise, more measurable, more achievable, and, most important, achievable in a sustainable way. Some of the objectives that we have set, within this framework, include:

- achieving a GDP growth rate that exceeds the population growth rate, taking account of reduced migration;
- financing an increasing proportion of national investment from domestic savings especially from the private sector;
- maintaining the role of the village as the principal focus of social, cultural, and economic life while facilitating the planned development of urban areas;
• making available a broader range of economic opportunities to the whole country, especially the rural areas, and facilitating people's access to those opportunities;

• reducing the size of government so that the private sector becomes responsible for a growing share of the economy and for taking an increasing initiative in economic development.

Some of the strategies and policies that we have formulated and adopted to achieve these objectives include the consolidation and maintenance of infrastructure built in past years by making more efficient use of it. User charges will be levied to recover costs. Some activities presently undertaken by the government will be privatized or commercialized; new projects will be more rigorously scrutinized to ensure that recurrent cost implications are fully taken into account in the appraisal process.

Human resource development in both the public and private sectors will be used to raise overall efficiency via improving the effectiveness and relevance of the education system and rationalizing the public service, in-service professional and technical training, and manpower planning for all sectors.

The primary sectors will be revitalized through improving the returns to labor. This would involve a shift toward more profitable crops and a new vigorous marketing campaign. New approaches to land utilization under the traditional land tenure system, to improve access, will also be necessary, and the government is presently considering legislation in this area. Existing laws that prohibit clearance in watershed and catchment areas will be enforced to limit damage to the environment.

To encourage resource based manufacturing and to attract low-wage export processing industry to locate in Western Samoa, policies are already in place that offer incentives that are competitive with other host countries. Industrial incentive provisions that were covered in different legislations have now been rationalized into one comprehensive Act. Moves have also been taken to establish a one-stop shop for investors seeking information, permission, and incentives to set up business.
Controlled tourism development within the limits set by environmental and sociocultural considerations will be facilitated via an already approved 10-year Tourism Plan.

This has been our experience, and these are some of the strategies that we are and will be employing, both to remedy our past failures and, more important, to achieve development without depleting our resource base, ruining our environment, or degrading our culture—development that can be sustained over time.

These are our intentions and a strategy of policies and actions, being conscious of the fact that no matter how exhaustively planned, well written, and clearly presented, these plans inevitably are founded on a set of assumptions and dependent on a number of factors, many of which, we know only too well, are beyond our capacity to influence or control.

Be that as it may, we have every intention, God willing and with the help of our development partners and our own resolve, to succeed, and hopefully, in the passage of time, our future generations will not judge too harshly our development behaviors.

To conclude, as a Minister of Education, I would like to take this opportunity, while I have the Leaders of the Pacific as a captive audience, to make a plea for the maintenance and development of indigenous languages. We have talked of ideas and concepts to resolve our development problems. Around this table we talk in the English and French languages that to most of us are a second language. At the level of consultation, English and French are the appropriate languages to be used. However, for our ideas and concepts to filter through to the people we serve and to ensure their participation in the development process, we need to use our own mother tongues.

Language brings with it its own cultural baggage. It contains values, ideologies, customs, and traditions. If the cultural dimension is an integral component in the development process, then we cannot ignore the importance of our respective mother language. Our mother language is the tool with which we build our concepts and the vehicle to carry our ideologies.

Mauruuru Roa
PLENARY SESSION

chained by
The Honorable Gaston Flosse
President of French Polynesia
Chairman of the 4th Pacific Islands Conference of Leaders
A major issue is which way should the Pacific islands go with trade policy. The Rio Summit had a great deal of discussion on trade, and Agenda 21 put forth a set of strong recommendations for the freeing up totally of trade, the reduction of all protection, the removal of production and export subsidies, the development of a totally free, open, and non-discriminatory system, and the creation of a level playing field, which is very uneven at the moment. This is one set of advice that comes from the United Nations Conference on Environment and Development (UNCED) as summarized in Agenda 21.

However, there are two schools of thought, and the second school of thought is what we call the preferential access school. Its arguments are that the Pacific island economies have so far gained very greatly from special considerations under preferential special trade agreements particularly through the Lomé Convention with a large European market and through the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), U.S. trade agreements, and many others. These special arrangements have given preferential access treatment to the islands and have led to the growth and development of many import and export industries.
This second school of thought argues that the Pacific islands may be best served by attempting to continue to maintain preferential trade access under a tradeoff. These arrangements are valuable and provide a stable environment for the export industries that have been developed. In reality, that may be a goal, but it is going to be more and more difficult in the long run to maintain those special relationships. These are the two basic schools, and we can discuss the costs and benefits of these two approaches.

At the more local level we are seeing consumers around the world influencing trade through their buying behavior. My young daughter refuses to let me buy tuna that is not dolphin free. Through advertising and consumer groups we are seeing restrictions placed on the import of tropical timber. We are seeing restrictions placed on banning products from endangered species and a preference for dolphin-free tuna and so forth. And to some extent these types of policies will be preferential to the Pacific islands because, particularly in the tuna case, the Pacific islands tuna is mainly caught by a dolphin-free method, the pole and line method.

I turn now to the broad issue of improving the market for sustainable development through microeconomic reform and deregulation. All the Pacific island economies have announced market-friendly policies to create an environment for the development and nurturing of local entrepreneurs, and many have also welcomed foreign investment. Measures have been introduced to ensure competitive markets. There have been quite important changes in the introduction of measures to reduce rigidities, to eliminate price controls, to remove subsidies, and generally to free up barriers to entry. We would argue that all of these moves promote efficiency in the private sector and provide the right climate for private sector development. As the private sector is going to be relied upon as the primary engine of growth in the next decade and beyond, then it is appropriate that these measures be taken now. And these measures are all generally in support of the concept of sustainable development, a growing vigorous private sector in an environment that is totally supported by a set of appropriate government policies.
There are those who argue the private sector in the past has had a poor track record: its over-exploited resources, its inefficiently used land, and its polluted natural environments. There is, of course, much merit in that description, and there is always a role for government to ensure that the private sector is regulated effectively. The general conclusions from economists are that the most effective forms of regulation are those that rely on the price mechanism, that work with the price mechanism. They normally include penalties such as pollution taxes, deposit refund schemes, and hazardous waste disposal schemes. Some schemes use a price mechanism to motivate firms to change their behavior and act in a socially responsible manner because it is cheaper than paying the pollution tax. Overall the research findings clearly indicate that using the market is the best way of controlling what we call market failure situations where the private sector misuses resources.

Another important area is that of investment. Investment is essential for growth. We know some investment is disastrous and has highly negative social, cultural, and economic impacts. What we are arguing here is that perhaps there could be a review of incentive legislation providing financial preference in fiscal incentives to firms whose projects can clearly demonstrate that they meet all of the principles of sustainable development. At the moment, every country in the Pacific islands has an attractive set of tax holidays and other financial incentives, and these are quite powerful in attracting foreign investment, but they do not discriminate very clearly between the short-term investment where investors come in to make a quick profit and get out versus those investors that are in there for the long run with a production program that is in keeping with the local culture and environment. Thus there could be some positive discrimination to give high-level incentives to projects that fully meet sustainable development.

In the past incentives have tended to favor capital investment projects rather than labor intensive projects, and we have also suggested that this preference perhaps could be corrected.

We now come to the question of the role of aid in sustainable development. There has been a great deal of debate and discussion
about aid and dependency, and how it inflates public sector budgets. Perhaps there has been too much concentration on the negative aspects of aid and not enough on the positive aspects. It is, of course, quite a challenge for the donors to look at new ways to channel aid more directly to the private sector. The islands are saying they would like the aid to support private sector projects, but it is not so easy because donors cannot directly give checks to private sector businessmen to start off businesses.

However, a whole set of programs can be put in place for small business development and for entrepreneurial training, and these are very effectively summarized in the PIDP book titled *Private Sector Development: Policies and Programs for the Pacific Islands*. And, of course, that subject was the focus of the last Pacific Islands Conference.

The last issue is the need to set up more effective systems for monitoring the impact of policies. All governments now have statistics offices, which produce national accounts. These sets of statistics very accurately measure economic activity, but sometimes they fail to take into account the depletion of the natural resource base. One could have one’s forest destroyed, one’s rivers polluted, but they do not show up in national accounts. Thus many authors are arguing that a new form of accounting is needed that takes into account the resource base and any depletion in it or depreciation of it. Derrin Davis has produced a paper for this Conference that outlines in detail a more effective approach to monitoring evaluation and accounting for environmental development.

In conclusion, I would like to say that the real challenges that lie ahead are translating the broad principles of sustainable development into practical programs that can have an effect immediately. We argue that a good starting point is to get the government’s own house in order. As a demonstration effect, if the public sector can operate itself on the principles of sustainable development, that provides an excellent example for the private sector. Also the government has available to it quite a wide range of policy measures that can be adjusted and fine tuned to support an environment in which the private sector will also be encouraged to follow the path of sustainable development.
Honorable Prime Ministers, heads of delegations, ladies, and gentlemen. I will focus briefly upon some of the backgrounds to the policy discussions that we have had and make one or two observations upon points that have been raised at this Conference.

On sustainable development, I assume that we are all looking for jobs. We want to create jobs, we are looking for income, we are looking for economic growth, we are interested in social development, we are interested in the evolution of our customs and culture in an organic way while preserving their integrity, we are interested in the improvement of the standard of living and ultimately, of course, human development. There are a number of necessary conditions that individually are not sufficient but collectively should be sufficient. And this includes financial stability.

Briefly, if we have no foreign exchange within a country we cannot import anything, no raw materials, no equipment, and so on, and therefore everything will come to a halt. If we do not have financial stability then indeed development will be disrupted. We need the integrity of the environment as another necessary condition. We need enlightened population policies, and we need growth with equity—another pre-condition or necessary condition to sustainable development. By that we mean the participa-
tion by all sections of society in the development process. Who are we talking about? We are talking about everybody. We are talking about women. We are talking about youth. We are talking about the indigenous population to ensure that they participate in the commercial sector. We are also talking about the unemployed. Managing sustainable development in small island economies such as ours is indeed a very challenging exercise for our governments. As a matter of fact the challenge might be greater than that faced by the larger countries of the world.

Several issues confront us in addressing the subject of sustainable development. We have had discussions about population, for instance. The fertility rates, as already explained, are quite high. They are coming down relatively slowly. Whereas mortality rates were high, they have come down much faster. The difference between the two is the natural population growth rates. The natural growth rates in all our countries are very high except, of course, for a number of our countries that have had the benefit of immigration to industrial countries. That implies, of course, that our population is very young, and we have high rates of entry into the labor force every year.

We have many people coming into the labor force. We cannot create jobs fast enough to absorb all these young people every year. And the thing to remember about population is that all these young people who will be entering the labor force over the next 15 to 20 years are already born. That is why when addressing the issue of population we have to take a long-term view of the kinds of strategies that we must have in place.

We have heard about the urban drift; that occurs in all our countries. And the high population growth rate means that our urban populations are growing much faster than the average rate of growth in all our countries. It implies that as far as the resources of the governments are concerned, they are pre-empted by infrastructure development and social services in the urban areas, which will disrupt our efforts to encourage investment and growth in the rural areas where the bulk of our populations are. We are very small economies. We are susceptible to external economic shocks. We are seeing it in our tourism. We now have a
world recession. We have had it for three years. It is affecting the number of visitors from the main sources of tourists. It affects the prices of all our commodities and the limited number of those items for exportation for job creation and so on. It affects income levels; whatever happens externally affects our income levels. It affects the revenue of our governments. It affects our balance of payments, our external reserves, our employment situation, and therefore the social conditions in our own countries.

Yet an additional factor that we have to take care of in addressing our future development is that our economies are extremely fragile. Our environment is extremely fragile. The challenges of the sea level rise that we are all facing, the limited carrying capacity of our environment, the siltation of rivers and of coastlines all threaten the sustainability of development in the long term. This is one of the necessary conditions that has to be satisfactorily addressed if we are to achieve that objective of sustainable development.

Professor Jim McMaster has discussed the heavy dependence upon aid, and we note that the bulk of our capital expenditures are financed through aid. One or two of our countries enjoy the benefit of budgetary support through aid, but this too is being steadily reduced over time.

We also have to factor in what is happening on the external scene. We have to look at our traditional donors, Australia, New Zealand, and Japan. They have their own economic problems. Unemployment is very high in all those countries over the last three years, growth is slow, and they have large budget deficits at the moment. They are having to touch even sensitive social expenditures. Moreover, there are demands for aid by other countries in other parts of the world that might be more strategically important to some of these industrial countries. These are other important variables that we have to factor in in structuring our own strategies.

We have to look at what is happening in the world scene. Liberalization is occurring in all these economies. We note that the margins of protection that we have enjoyed, for instance, under
SPARTECA and under Lomé, are already being eroded. We also note that the common agricultural policies within the European Economic Community (EEC) are under assault from our industrial countries and from the taxpayers and consumers within the EEC. What happens on that front will have important implications for the price of sugar in the case of Fiji and for one or two other commodities in the case of other countries in the Pacific islands.

Consequently, we shall have to be more competitive. We shall have to increasingly compete with other highly competitive economies around us. Our domestic markets are relatively small. We have to be in the exportation game, and we have to introduce domestic policies that enable our economies to compete effectively—otherwise we will be frustrated on that front. Mr. Peter Thomson will be addressing that subject in some detail in the discussion session.

We have a lot of fragility in our external sector. We import a lot more than we export. We have large deficits in our external trade. Those deficits have to be financed from external resources. We cannot fund importation from our own currencies. Other countries will not accept that as a means of payment for those countries in our region that do not issue their own currency. The currency problem has been bridged in our case from tourist receipts and from aid and from remittances. Remittances are extremely important to several economies in the region. We can also call upon foreign loans, but, of course, we have to be extremely cautious about that.

Foreign capital inflow is also a means of financing that gap, but we do not get much of that in our part of the region. What are we looking for then? We are looking for investment that promotes growth. We are not only interested in the volume of investment, we are also interested in the quality of investment. We are interested in human capital. Human capital is just as important if not more important than physical and financial capital. We have to factor in a whole range of education and training in our strategy over the difficult times ahead. We have to preserve the integrity of our environment. We must have external and internal financial
stability, and we must have growth with equity, participation by all because otherwise it will be disruptive to the process of long-term growth.

And that brings us to the focus of governments. The focus of government will have to be upon law and order, a traditional one. The system of law gives confidence to those who engage in the thousands of transactions that occur every day in our countries. Investment in economic and social infrastructure, that must be the focus of government.

Sound macroeconomic policies for ensuring financial stability is an important focus of government; it enables the environment to encourage private sector growth. And microeconomic policies encourage investment and allow the markets to work a little bit more efficiently. That involves a certain degree of liberalization in the labor market, in the commercial sector, and in the financial sector. We have to realize that the burden of adjustments tends to fall unevenly upon all sections of the community; thus an important component of government strategy is to enable the burden to fall evenly. That is why people talk about a social safety net, for instance. We have to look at the impact of fiscal policies at the micro level to see how they affect various communities within our countries—that is where challenge and imagination will be required.

I would like to make the analogy with the athlete. If you are going to be an athlete you have to run a race; we are running a race with everybody else in the world, and, of course, it pays to be fit and supple and to train regularly and so on. Really, the objective of the exercise in having all these policies is to enable our countries to be fit and to be supple and to be able to compete effectively with everybody because if we cannot compete effectively then indeed the problems ahead of us will be extremely difficult.

I would like to emphasize financial stability, which is extremely important for our countries. Our economies are extremely open. We depend a lot on importation, and if we have a lax fiscal policy, if we have large deficits in our budgets every year, it means that expenditures will rise. It means that our balance of payments
deficits will get worse. It means that either way our foreign reserves will be depleted. If we run out of foreign reserves then indeed it will be difficult for us to import anything—all the machinery and equipment that we need for the process of development. Thus the role of fiscal policy in ensuring financial stability cannot be overemphasized. Those countries that have central banks also have to be careful with their management policy. If you have a management policy that encourages credit then exactly the same impact will occur. The balance of payments will get worse, and we run down our foreign reserves.

Fiscal policy is, indeed, the most critical policy instrument in our very open economies. We have to ensure that our budgets are under control in terms of the total volume every year. We have to try to ensure that an increasing share of the total flow into the capital budget expenditures is investment, and we have to be careful about the composition of the operating expenditures, important ones like servicing our infrastructure. These are very difficult political things to put in place. We also have to look at our revenue base at the same time. We have to look at new tax bases as they emerge. We have to ensure that they are broad based and equitable yet encourage people to take risk at the same time. The challenge is not only analyzing tax regimes but also, certainly at the political level, putting them in place.

Strategic planning is a critical issue that should be examined. In strategic planning what you are really looking for are the objectives of our various countries. Sustainable development is, of course, an important objective. A precise form is needed for national objectives and for sectoral objectives. Our strategies and policies need to be clearly spelled out in pursuit of our objectives. We have to have public sector investment programs, which is a great weakness up to now. Projects must be carefully evaluated and analyzed. Some of our projects that are put in place do not necessarily reflect the priorities of our own countries; they tend to be externally induced. But if we have the capacity within our various departments and within our planning offices such that they can construct public sector investment programs that are well conceived, that are consistent with our objectives, and that are such that they are only projects to yield benefits to our com-
munities—then indeed we can say that we own those programs and then we can face donors and say these are priorities, these are our projects. You tell us which of these components in our program you will be in a position to fund.

One last point is about mainstreaming. Mainstreaming assumes that we have a planning machinery, a national decision-making machinery that is working well. Before we mainstream we have to ensure that the system is operating effectively. We have to mainstream all those pre-conditions to sustainable development, which I have mentioned. The issue of environment needs to be mainstreamed into the central decision-making process of government; population issues have to be mainstreamed into the central decision-making process of government. There is no point in letting the health ministry deal with population control measures out in the field; the issue should be coordinated at the central level and receive the appropriate share of resources from the budgetary mechanism of our governments. We have to mainstream women into development issues. We have to mainstream youth. We have to mainstream the issue of the participation of indigenous people in the commercial sector; that is another precondition for sustainable development and long-term stability in all our countries. We have to mainstream the unemployed, and we have to mainstream all our disadvantaged groups of society.
DISCUSSION SESSIONS
SMALL GROUP SESSION 1: POPULATION, DEVELOPMENT, AND THE ENVIRONMENT

chaired by
The Honorable Maxime Carlot Korman
Prime Minister of Vanuatu
Thank you, Mr. Chairman, your excellencies, and distinguished guests.

The pace of demographic, economic, and environmental change is fast in the Pacific islands, and there is concern over where these changes are leading. Two broad questions arise. First, what is the relationship between population and the ecological carrying capacity of Pacific islands? Second, how do styles of development that are people-centered and committed to equity contribute in an important way to sustainable development?

The juncture of increasing numbers of people and the concentration of economic activity— together with poorly planned development, weak urban government, and overtaxed urban services— have serious environmental and economic consequences for small islands. The populations of most Pacific island countries will continue to grow quite quickly for at least another generation because many islanders are young. Slowing population growth needs to be a priority of governments. Improved planning and management of environmental resources must be another. In addition, improved knowledge of population and environment relationships on Pacific islands is essential.
Improving human capital, by investing in education and health, contributes to economic growth and sustainable development. There is a fortunate overlap between those factors that improve the quality of life, those that enhance productivity, and those that reduce population growth. High population growth makes investment in human resources more expensive in the short term, but this investment is essential for prosperity. Women's access to jobs and economic opportunities is a primary factor in lowering their fertility.

There is a great need for more knowledge about the connections between demographic, economic, and environmental change in Pacific island countries. Yet there is almost no institutional capacity in the region to conduct the necessary research and policy analysis. Integrating population factors in development plans also requires that administrative and planning systems are integrated and coordinated, particularly at the local level.

At the regional level, organizations are beginning work in this area with support from the United Nations Population Fund (UNFPA). PIDP will conduct research into relationships between population and economic change and into ways this information can be used by governments. The South Pacific Regional Environment Programme (SPREP) will integrate population concerns in environmental management in the region. The South Pacific Commission (SPC) is beginning a new program of population information, education, and communication. Regional universities are undertaking training and research programs. The Forum Secretariat is coordinating a regional submission to the Cairo conference in 1994.

These population-focused projects provide forums through which regional organizations can collaborate to ensure (1) that population concerns are better integrated into development planning and (2) that the greater goal of fostering sustainable development in the Pacific is not forgotten. Nevertheless, the need for information is much greater than its supply. Moreover, the most essential requirement for integrated planning and, through it, for sustainable development is political will. To consider population, natural resources, and development separately is to court disaster. The
environment, the human population, and their common future must be a primary concern in all political decisions. Integrated development will not happen, sustainable development will not happen, unless the governments put policies in place to foster these ends.
Leaders, ladies, and gentlemen.

Although physically scattered over a wide area, the island countries of the South Pacific are a closely knit family. Their cooperative approach to regional development is merely an extension of home-grown processes of government that have traditionally placed a very high value on cooperation and the consensus approach to problem resolution.

The primary objective of my presentation today is to summarize Agenda 21 and outline its implications for the implementation of environment programs in the Pacific islands region. Agenda 21 is a global action strategy for sustainable development. It contains a very specific listing of objectives and activities relating to the implementation of environment programs in the region.

Endorsed by governments at the United Nations Conference on Environment and Development (UNCED), Agenda 21 is not a legally binding document. It does, however, reflect a global consensus and political commitment at the highest level. It will be implemented according to the “capacities and priorities of the various actors.” Containing over 500 pages of objectives and activities in 40 chapters, Agenda 21 is divided into four sections:

1. Social and Economic Dimensions

This section of Agenda 21 addresses trade and economic policies for sustainable development, population issues, unsustainable patterns of consumption and production, health, human settlement issues, and the integration of environment and development in decision making. A number of issues in this section that warrant attention in the region include:

- the implications of trade liberalization and the interactions between environment and trade;
- the interactions between population and environment and the incorporation of demographic features into national policies and plans; and
- the progressive integration of environment and development in decision making and development planning.

2. Conservation and Management of Resources for Development

Most of the region's "environment" projects and programs traditionally fall within this section of Agenda 21. These include the conservation of biological diversity, climate change, Environmental Impact Assessment (EIA), preparation of National Environmental Management Strategies (NEMS), coastal zone management, and the prevention and management of pollution. This section of Agenda 21 re-emphasizes the need for action in all these areas.

Special recognition of the special concerns and characteristics of small islands is found in Chapter 17 of Agenda 21. The negotiation of this text was an important achievement for all island coun-
tries. Entitled “Sustainable Development of Small Islands,” this program area contains specific activities related to management, human resources, capacity building, and regional cooperation, which are aimed at advancing sustainable development in the region. In broad terms, this program area commits governments to addressing the problems of sustainable development in the region by studying the development and environment interactions of islands, determining and monitoring the carrying capacity of small islands, preparing medium- and long-term sustainable development plans, developing appropriate coastal management techniques, reviewing and reforming institutional arrangements, implementing sustainable development plans, designing and implementing rational response strategies to address climate change and sea level rise, and promoting environmentally sound technology.

3. **Strengthening the Role of Major Groups**

This section focuses on strengthening the role of major groups in implementing sustainable development; these groups include women, youth, business, local government, and nongovernment organizations (NGOs). Although the important role of these groups has been recognized in the Pacific, it is only in recent years that their participation in sustainable development has been actively sought. Activities proposed in Agenda 21 under this section will need to be carefully considered by governments.

4. **Means of Implementation**

The final section of Agenda 21 includes the areas of education, information, and awareness that have been identified by the region as fundamental to environmental protection and sustainable development. The issue of capacity building is also presented in this section and will need to be addressed if lasting solutions to environmental problems in the region are to be found. The new financial and institutional arrangements for the implementation of Agenda 21 are also presented.
Many different elements of the UN system, intergovernmental organizations, and the donor community were given roles to play in the implementation of Agenda 21. However, the single most important change to institutional arrangements was the establishment of the Commission on Sustainable Development (CSD). The commission will have a membership of 53 countries and a mandate to monitor the implementation of Agenda 21. A clear relationship will need to be established between the region and this new “watch-dog” of sustainable development.

One point is continually stressed—that environmental considerations need to be incorporated effectively into the development process. This “point” and other proposals within Agenda 21 now need to be turned into specific activities that are of relevance to Pacific island countries—a task for all organizations and countries of this region.

At the direction of its members, SPREP has developed a number of these activities on the basis of national priorities that are consistent with the implementation of Agenda 21. These activities include, but are not limited to, trade and environment interactions, the integration of population and environment, NEMS, climate change program, inventory of deforestation and land degradation, and South Pacific waste and pollution prevention program.

**Summary**

The implications of Agenda 21 for the countries and development partners of the region are considerable and will undoubtedly affect the delivery of development assistance and the activities of those involved in sustainable development. At a regional level, projects and programs are in progress or proposed to address some of the key issues raised in Agenda 21.

The meeting is invited to note the implications and the progress in the implementation of the environment-related components of Agenda 21 currently undertaken and coordinated by SPREP as mandated by the Pacific island countries. On the issue of Agenda 21 relevant to the region, it is clear that they are covered by the
mandates given by the Pacific island countries to the South Pacific Organisations Coordinating Committee (SPOCC) members.

**DISCUSSION**

PRESIDENT FLOSSE: What are the obvious connections between human resources and overall economic development?

DR. CHUNG: If the conditions or the characteristics of the human resources and the demand for livelihood and the production activities are intimately linked. If you have a population that has high levels of education and job skills that are suited to more technically based or more service oriented production activities, you can possibly avoid the more dramatic exploitation of so-called natural resources. Probably a very close correlation exists between the countries of the world that rely upon natural resources, and suffer the environmental consequences, and those countries that have, through the qualities of their population, the choices. In addition, they have broader choices because they can use people more as an economic resource.

I have talked briefly about the relationship between the inequalities of different groups within the population and their economic inefficiencies. Regarding gender equality, women are a very easy group to talk about, and I would not want to suggest they are the only group that is disadvantaged. Of course, there are disadvantaged children, there are disadvantaged people, and there are disadvantaged communities. There are all types of patterns of disadvantaged.

Women as a group, however, enter into the discussion of population change very easily because they are at the center of a lot of the decisions that are made about fertility. Now if there is one thing in the vast array of demographic research, if there is one strong consensus, that is, that as women’s opportunities to participate in the economy increase so does their fertility decline. Consequently, we
have a very pleasant conjunction of factors: as the quality of life increases for everybody so does the driving force of population growth decline.

The crunch in all of this is the investment in services. All countries and all economic planners have faced the hard decision of how do you fulfill the demand for livelihood, how do you get the investment that is needed in services?

What can governments do? Essentially the consensus that is at the heart of Agenda 21 is that governments are more likely to encourage sustainable economic growth where they first focus on human needs for quality of life and equity. That scene runs throughout Agenda 21. Really, it is a commitment to intergenerational equity in terms of the types of commercial operations that are promoted. It is a reduction of disadvantaged and it is a promotion of economic opportunities for all, which seem to lead the best way to the future.

Agenda 21 concluded that the three major needs in this regard for better integration of population and development were to (1) improve the overall understanding about the relationships between population and development, (2) integrate population factors into national development plans, and (3) to ensure that this integration also occurs at a local level.

For the first one, improving the overall understanding about the relationships between population and development, a major constraint in all Pacific countries is the very limited institutional capacity for this research. We talk about having research into the particular conditions of Pacific island counties, but where is the capacity to do so? As policymakers maybe you have felt frustration at the types of social research that is done. It is often not as precise as some of the economic research, but consider the amount of resources that are put toward economic management in the region and compare that to the resources that are applied to any other form of population manage-
ment. There is a need for Pacific island countries to commission their own research that is policy oriented. There is some movement toward this. There are at least three new projects I would like to refer to briefly—all of which are being funded by the United Nations Population Fund (UNFPA).

PIDP, as you may know, is about to institute a project of research and training that looks at the interrelationships between economic change and demographic change in some Pacific island countries. It will also provide training opportunities for professionals of the region to participate in this research.

The South Pacific Regional Environment Programme (SPREP) is also beginning a new project that will integrate population concerns in economic management. The South Pacific Commission (SPC) is starting a new project of population, education, information, and communication. And the University of the South Pacific (USP) and the University of Papua New Guinea are continuing their valuable work in training for professionals in this area.

But if we consider those projects against the needs for this type of resource management, there is an enormous gap, and this is a gap that Leaders of this region should be considering because population is such a critical component of sustainable development. We cannot neglect the need for better management and the research upon which it will be based. Thank you.
SMALL GROUP SESSION 2:  
CULTURE AND COMMERCIAL BUSINESS DEVELOPMENT  

chaired by  
The Honorable Bikenibeu Paeniu  
Prime Minister of Tuvalu
SUSTAINABILITY AND PACIFIC CULTURES

Presenters:
Dr. Antony Hooper  
PIDP Fellow

Dr. Kerry James  
PIDP Visiting Fellow

This presentation, which is based on the paper already distributed to you, is basically about sustaining culture rather than sustainable development. The concern is how to build up the region's economically productive enterprises and have economic development without at the same time destroying the culture.

The mandate for this research comes directly from the 1991 Standing Committee meeting, which discussed privatization and deregulation. The then chairman, Ratu Sir Kamisese Mara, warned that in spite of all the enthusiasm, there was "a need for the Pacific islands to take into account the cultural factors." He continued, "The process of commercialization or privatization has to be adjusted in terms of cultural factors, in addition to the level of development, from country to country, and according to the level of development from country to country."

Ratu Mara's statement about culture is basic; it is fundamental to any nation's identity, well-being, and stability. None of us would wish to see the rich variety of Pacific ways of life transformed into the uniformity and sameness of the suburbs of Auckland or Brisbane.

The director of PIDP readily took up the issue and agreed to design a project called Cultural and Social Aspects of Develop-
ment—though he also made it clear that “it is going to be very
difficult.”

We can now assure you that it is very difficult for two main rea­
sons. First, we do not believe that the so-called opposition be­
tween culture and development necessarily exists at all, except in
the models of economic development that have been used in Pa­
cific island countries. Economic development is a complex and
highly technical subject. The reigning set of ideas at present
comes from neoclassical economic theory—which was originally
devised for understanding large, modern, industrialized econo­
mies such as the United States and France. To a large extent, this
theory avoids talking about either “society” or “culture” all to­
gether. According to conventional wisdom they both are said to
be “very important.” Sometimes the World Bank even proclaims
that they are “vitally important”—but then it says nothing more.
Basically, neoclassical economic theory perceives “sociocul­tur­
factors” as getting in the way of economic development. Time and
again all of us have heard statements like, “How can we develop
productive private enterprises when there is communal land ten­
ure?” Or “How can one run a sensible business-like operation,
nine to five, five days a week, when everybody clears out for a
couple of days whenever there is a big funeral?” Actually, neo­
classical theory does not always work very well in the United
States and France for that matter and largely because of sociocul­
tural factors that are there too. Thus how can it be expected to
work perfectly in the Pacific, where a great deal of economic
activity happens outside the market?

The second reason the subject is difficult comes from the extreme
diversity of Pacific island countries (this was Ratu Mara’s point).
What is a sensible policy for one place may be most unsuitable for
another. The image that comes to mind is of somebody trying to
design a standard dress for the Pacific region—and everyone lis­
tening politely until somebody has the wit to stand up and say,
“Hey, look, this dress isn’t going to suit all of us. Some of us are
short and some of us are tall, some of us are light and some of us
are heavy, some of us cannot stand the frilly bits—and anyway,
none of us is ever going to wear mini-skirts!”
It is because of these two difficulties that it is necessary to get away from the culture versus development way of thinking and think instead of "spheres of economic activity." Using a model of this kind allows us to (1) see what the social and cultural forces really are and where they are coming from and to (2) take into account of the variability within countries and between countries.

Our basic model (Figure 1) starts from the idea that every Pacific island country has three separate spheres—traditional, public (administrative), and private. Development is not a matter of considering only the monetized sectors and ignoring the traditional sector. After all, most of the people are in the traditional sector, which is where the ideas of culture come from. These spheres are different in every country, and they can change in any country over time. Once there was simply traditional society and culture. Then traders were established, who were either locals or

Figure 1. Unitary traditional sector
outsiders married in. They were followed by protectorates, annexations, colonial regimes that built up the administrative sphere. Then, with independence, the political sphere developed.

This model obtains some dynamic and explanatory power with the connections between the spheres (shown by the solid arrows) and also the independent connections to the outside (the hollow arrows). First, money enters into the traditional sphere but does not necessarily destroy it. On the contrary, it can build it up. There is also a great deal of economic activity that does not involve money. Second, money goes from individuals working in the public sector to individuals and groups in the traditional sphere. Officials formulate national policies and legal codes affecting matters of culture—especially important are land tenure regulations. Third, the private sector also connects with both the traditional and the public sector sphere, especially where it is indigenous or part-indigenous. Fourth, the political sphere has numerous connections with the traditional sphere. Often the principles are written right into Constitutions. Last, there are all the independent connections that each sphere has with the outside world.

Spheres in each country will, of course, differ in relative size and in the kinds of connections.

Another useful feature of the sphere-type diagram is that it shows very clearly where the POWER and economic clout are located. We are talking here about social class. The economic and political power is in the top spheres, with the elites. Their views, especially on topics like “culture,” may be quite different from those in the traditional sphere. Class differences are important in nearly every Pacific island society but are more prominent in some than in others. Everywhere, though, class differences are increasing, and more studies are needed on the subject.

“Culture” like “society” is a word that everyone uses and knows the meaning of, but as soon as we try to define it all sorts of difficulties are involved. For our purposes here, culture is made up of three elements: traditional economic exchanges, traditional leadership, and customary land tenure. A lot more is involved in the meaning of culture, but these elements are probably the most di-
rectly related to economic development. Everywhere, these three elements are interrelated with one another.

Of these three, we shall have the most to say about traditional economic relationships.

**Traditional Economic Exchanges**

In traditional economies, social relationships are primary, basic—and they are drawn along the lines of kinship, rank, community, and language. The flow of goods and services is driven by these basic relationships, not by the market. From the point of view of the individual, this means obligations and privileges, back and forth. It means respect for rank and for people's "position." It also means that if we do not participate and help others then nobody is going to help us—and if we should happen to get sick, then everyone knows why. There are real social penalties for breaking the rules, even though the rules are unwritten. The other two elements of culture are more obvious.

**Traditional Leadership**

Traditional leaders come in many forms. In some countries they have virtually absolute power. In others, the power of traditional leaders is limited strictly to local affairs or to matters that are defined as having to do with *kastom* or tradition. In some places, traditional leaders have no formal voice in government although they may wield considerable influence in society. Another important difference is the way that traditional leadership is tied up with the elites of politics and administration, that is, how it is tied up with differences in social class. The one consistent trend throughout the region is that traditional leadership is changing as the conditions of life change. And sometimes the changes are happening very fast.

**Customary Land Tenure**

There are also changes in land tenure—pressure for land to be used in more economically productive ways. Sometimes the
changes are brought about in the traditional sphere, in disregard of written legal codes. And sometimes the changes are made at the center, for the national welfare, and encounter difficulties at the local levels. In spite of all the changes and adjustments, however, we know of no country where there is a general feeling that we should abandon the traditional systems and put all the land on the market.

I want to backtrack a bit now and say something more about traditional economic changes and the traditional sphere. I emphasized that traditional economic exchanges and obligations are driven by social factors—kinship, community, rank, language—not by the market. What outsiders to the Pacific generally do not realize is that these obligations are not confined to those who live their lives only in the rural areas or the outer islands. If we have jobs in the government or business, and especially if we are politicians, the obligations are just as weighty—perhaps even more so. The principles of the traditional economy do not stop at the outskirts of town. They are in peoples' heads. They touch people in all the spheres through informal networks that are not at all obvious to those who do not understand how things are done in the Pacific. Schemes for economic development often fail by not taking into account how the system works in a particular place.

Another point I would like to make has to do with the programs for small business development and helping entrepreneurs. Many of these programs are basically aimed at the large numbers of people who are in the traditional sector. They want money and what it brings. They want what they call “development.” What the programs are basically saying is, “Fine, don’t just do things the same old way. Be entrepreneurs. Get up and get into business enterprises and we will help you.”

Fine. A lot of people do so. They make money and are successful. Their relatives and wantoks may in fact be proud of them—but only so long as they fulfill their traditional obligations. Thus kinship and traditional obligations are not generally a barrier to money making in the Pacific. They are a spur to enterprise. People gain respect and status—but again, they must play by the unwritten rules. It is not all a matter of obligations either. People put to-
gether enterprises by using the links of kinship and community, and sometimes these can be very successful and even international in scope, as with flea markets.

The development experts smile and say, "Great, we have sown the seeds of capitalism, and we will soon be on the way to self-sustaining economic growth." But usually the enterprises grow only so far and then either stop or collapse. In fact, they are not capitalistic enterprises at all because the relationships between the people who are involved in them are not capitalistic ones. They are not purely and simply relationships like manager and employee, or foreman and worker, or shareholder and management. Moreover, many people do not want to transform their relationships in that direction because that would involve breaking all the unwritten rules and perhaps living the way that foreigners do.

Can we get self-sustaining economic growth from enterprises of this kind, built upon basically traditional relationships? Can we become Asian tigers? Perhaps not. But then again no economist seems to be able to give a straight answer to this question. Economists usually assume that the transformation into capitalistic relationships will come about "naturally"—but that is probably because they are unaware of other sorts of relationships. And do the policymakers want it to happen anyway? Basically, it is a matter of choice. We can have most economic transactions basically commercialized and capitalistic—and still have something called culture. Great Britain and France both have cultures of which they are justifiably proud. But this is culture of a different sort—mainly arts and ceremonies. There are no traditional economic exchanges and obligations, no effective traditional leadership exists, and land is mostly in the market. The situation is true in all developed countries. There are gains—and there are losses. For some Pacific island countries this may be the path to follow. Others, with assured flows of outside resources, can still continue to be modernized and traditional, both at the same time.

This presentation is very general simply because of the wide variability of Pacific island countries. If we were dealing with only one country it would be possible to be a great deal more specific. We have tried to present a basic plan of the kinds of factors that
we need to take into account in order to consider the relationships between culture and development. Spheres or domains of economic activity. The dynamic links between them. The issue of class differences and power. Traditional economies and their pervasive influences. Leadership and land tenure.
DEVELOPMENT SUSTAINED BY ENTERPRISE: TOWARD POLICIES FOR ECONOMIC STIMULATION

Presenters:
Stephen Pollard
PIDP Fellow

Ropate Qalo
PIDP Visiting Fellow

As the title implies, we are proposing that development is indeed sustained by enterprise. Our presentation is based on the paper of the same title, which has already been distributed to you.

We are also presenting the case for additional interdisciplinary and policy oriented research. Previous Pacific Island Conferences of Leaders, as well as the Standing Committees, have given continued commitment to additional research by PIDP into the development of the Pacific’s private sector.

All the proposals contained in our paper as well as the case for additional study are based on an extensive review of the literature as well as our own personal knowledge of businesses in the Pacific.

The paper contains five major propositions.

- Indigenous enterprise is successful but constrained.
- Successful enterprise sustains development.
The “old” economic order failed to stimulate indigenous enterprise.

The “new” order is struggling.

Government policies should aim to develop existing strengths.

These propositions are sequential, and the last leads back to the first.

Let us examine the first proposition, “Indigenous enterprise is successful but constrained.” Owning, managing, and risk-taking—these attributes combine to define “entrepreneurship.”

The literature testifies to a history of trade, investment, enterprise, and initiative in the Pacific, and the work of Salisbury, Belshaw, Finney, Hailey, Fisk, Fairbairn, and others all testify to the widespread extent of entrepreneurship in the Pacific both in the past and today.

Successful indigenous businesses today are in retailing in Micronesia, in agriculture in Melanesia, and in tourism in Polynesia. But how have these businesses succeeded?

Much of the origin of entrepreneurship appears to be embedded in the very personal characteristics of the individual, and entrepreneurial activity is in part a reaction by each person to his or her perceived role within society.

A society’s entrepreneurs may not be the most popular people, but they are the agents of change, which are needed for every society’s evolution. As Belshaw stated: “It takes skill to keep all elements in the social structure coordinated and of good will.” Few individuals are prepared to take, and capable of taking, on such a challenge. These are the people on whom all economies, societies, and governments rely to create new enterprise.

The movement of peoples has tended to reinforce these entrepreneurial traits, and Pacific islanders have been some of the most active travelers and migrants. However, as shown in our paper,
modern indigenous enterprise tends to be restricted to particular industries, to be limited in size, and often to be limited by location.

All economies demonstrate that “Successful enterprise sustains development,” the second proposition. Successful enterprise creates individual jobs, family incomes, government revenues, and greater national wealth.

Enterprise supports and sustains; it constitutes a major component of the economy, and the economy in turn is the very foundation or growth medium for enterprise. This symbiotic relationship should ideally lead to growth that could be graphically represented as a growing spiral. But, unfortunately, in the case of many Pacific island countries this relationship commonly results in a relatively closed and self-perpetuating circle.

We must not expect the pursuit of sustainable development to be an easy venture. It presupposes multiple, often conflicting, development objectives. A practical and progressive approach to sustainable development must therefore be one that promotes the clarification of these conflicts or “trade-offs” and also helps to reach compromises between them. Today we should be encouraged to note that historically many Pacific societies have long worked to reach just such compromises.

In addition, we must not expect all enterprises to succeed. The pursuit of sustainable development must realistically allow for some element of unsustainability in the form of loss or failure and poor distribution of benefits. Such risks are inherent in enterprise and in economic and social change.

The third proposition is that the “old” economic order failed to stimulate indigenous enterprise. Two factors or trends are important here: First, whether in commercial banking, commercial tuna fishing, tourism, mining, or manufacturing in terms of levels of investment, employment, and turnover, most private enterprise in the Pacific has been initiated, and is still being conducted, by direct foreign investment. Agriculture is the one exception to this rule. We need to re-examine the potential for today’s foreign in-
vestment that will stimulate tomorrow’s domestic enterprise. Second, the International Monetary Fund (IMF) has reported that most member countries in the Pacific have substantially raised the rate of public investment with public enterprises created to undertake many industrial and commercial functions. Pacific governments have either inherited and/or invested in hotels, tuna purse seiners, manufacturing, and processing plants. In comparison, however, "private investment has remained sluggish in most countries." Thus both foreign and government investment has taken the place of private domestic investment.

It is therefore of concern that this current and continuing economic order of Pacific economies is not conducive to the promotion of indigenous enterprise.

Moreover, "the new economic order is also struggling," which is proposition four. Governments throughout the region have recognized the inadequacies of "state capitalism" and "extractive" foreign investment, which, apart from largely failing to stimulate sustainable development, may have stifled indigenous enterprise. These same governments are now looking for new policies to stimulate indigenous enterprise and thereby their economies.

Much aid and government attention have been directed at divesting government of its enterprise holdings and enhancing the so-called "private sector enabling environment."

We should be encouraged to note that small business in the region has flourished under the simplest and most straightforward of economic conditions. Entrepreneurs have commonly used their own land or have acquired land themselves. They have used their own funds, their own family labor, and ideas, and they have acquired skills to both start and develop business ventures.

Unfortunately, many efforts to stimulate private enterprise have tended to greatly complicate if not to weaken this environment.

Land, finance, and skills are commonly the three primary requirements to undertake business.
In the case of land, widespread "traditional" banking practices generally favor the chosen few who own commercial land that can be recognized as collateral.

In the case of finance, and as concluded by PIDP: "The region’s development banks have been assigned a leading role in bridging the gap between savings and investment requirements. Yet these institutions have generally not, for various reasons, been particularly successful."

In the case of both finance and skills transfers, it is most difficult for an indigenous loan officer or business adviser to examine, to comment, and to report on the very personal financial records of another islander from another family.

Objectivity may be the norm and may be taken for granted in a donor country setting, but this is not the case in any small-scale society, especially in a rural setting, and this fact of life in small island communities has been ignored or overridden by technical suggestions for improving the transfer of land, finance, and skills.

Aid financed programs tend to focus on the easier technical solutions rather than confront the personal issues. It should also be noted that aid has both directly and indirectly weakened the competitiveness of domestic enterprise by boosting public sector activity, reinforcing domestic currencies, and encouraging both a domestic subsidy and a reliance on irregular supplies of donor supplied goods and services.

International aid has also been based on an international perspective that is incomplete when applied to business in the Pacific context.

Efforts to reorder domestic economies have failed to focus on the heart of the issue, that is, how businesses succeed in the Pacific context. Too little attention has been paid to existing enterprises, how they are organized and managed, and to alternative forms of transferring finance, technology, and skills between cultures.

"Government policies should aim to develop existing strengths" is the fifth proposition.
The literature and case studies of business in the Pacific do provide some indications for alternative policies and strategies. These directions are referred to as the “Art of Pacific Management.” And, under this overall theme, four key elements have been identified that support successful indigenous enterprise, they are as follows:

1. Both Pacific and international cultural demands are balanced. The careful management of both foreign and Pacific cultures and their social as well as business demands is crucial for small, and especially rural, indigenous enterprise to succeed. The Art of Pacific Management is, probably of necessity, a merger or a compromise of both Pacific and international social and business demands, both explicit and implicit. Very particular management policies, principles, practices, and procedures will shape this merger.

2. The individual entrepreneur is supported by the community. It is important to know not only how indigenous business succeeds but also in what form. Often the greater support of the family, if not the community at large, is important to initiate and maintain new activities, including new business ventures.

The cooperative enterprises described by Belshaw and the Goroka “big men” known to Finney all had their key characters or individuals who as entrepreneurs relied on the support of the greater community through a complex network of reciprocal and mutual obligations. The more recent successes of the Tonga Cooperative Federation and Friendly Islands Marketing Cooperative are also founded on strong leadership. The same is true of the Native Marketing Supply Cooperative (NAMASU) in Papua New Guinea and Abamakoro Trading Limited in Kiribati.

3. A trusted, impartial third party reinforces the venture. In addition to the family venture, the cooperative, and the public company, peer groups from within the community, and “lobbyists” from outside the community also work to foster successful communal enterprise.

Examples of peer group ventures are the many women’s groups active throughout the Pacific. Examples of both peer and lobbyist groups are the energies of some churches in promoting business
ventures such as NAMASU, which was founded in 1959 by the Lutheran Mission of New Guinea.

Lobbyists also include the interests of both foreign investors and foreign aid. Unfortunately, many public sector supported projects considered “successful” during the early years of implementation have abruptly failed when the key character was removed. Nucleus commercial agricultural estates and commercial agricultural management units may, however, provide the kind of long-term, third party support required by smaller indigenous enterprises.

4. Business pursues greater efficiency and/or diversification. Business survival in the face of uncertainty presents an additional set of challenges that require continued entrepreneurship. If businesses do not consistently aim to achieve greater efficiency and/or to expand their operations then they run the risk of atrophying, of losing their competitiveness, and of failing. New business opportunities provide the stimulation for continued entrepreneurship, and competition directs these challenges.

Some Pacific businesses have grown together with the growth in the domestic market. Others, confronted with limited domestic markets, have successfully diversified their business activities.

In summary, in spite of a very difficult environment for domestic enterprise, entrepreneurship continues and some enterprise is successful. Successful enterprise can support sustainable development.

I would like to conclude with one major recommendation. The challenge for future sustainable development is to better understand, to replicate, and to build on successful indigenous enterprise. An improved understanding of the existing order of business will more effectively direct a re-ordering of Pacific economies.

For this reason PIDP is currently implementing a policy oriented and multidisciplinary research program to derive alternative policies for economic stimulation that are based on an improved understanding of the organization and management of successful Pacific businesses.
SMALL GROUP SESSION 3: TRADE AND INVESTMENT

chaired by
The Honorable Major-General Sitiveni L. Rabuka
Prime Minister of Fiji
Mr. Chairman, your excellencies, ladies, and gentlemen.

This speech is directed to the Pacific islanders who will be responsible for the planning and implementation of export development in their island nations. It does not set out to provide a detailed economic analysis of export potential, but hopefully its content will serve to stimulate thought and action in the development of the external trade relations of the Pacific islands.

My address begins with the advancement of some familiar regional themes; it then overviews the market access matters of importance to the Pacific islands and concludes with a discussion of specific export development opportunities.

From the outset may I say that the careful management of export development is an important responsibility of Pacific island governments and should not be abandoned in these times of privatization and private sector development. Change is inevitable, but only with appropriate national management will we witness more good than harm in the process. The private sector must provide the energy for change, but elected governments have to implement clear policies to channel this energy toward the goals that they have set for the people and the environment of the Pacific islands.
The Pacific island governments have a responsibility to work closely with the private sector to support export development efforts. Channeling of appropriate aid, providing international marketing support, and responding to the special needs of emerging industries remain important areas in which Pacific island governments should play an active part. Of course, the private sector has the responsibility to provide the energy, the ideas, the investment, and the production of exports from the Pacific islands, and more room for the development of the Pacific islands' private sector is required if higher economic growth, employment, and income generation is to occur.

We can now see that the environment in which successful export development will be operating in the 1990s in the Pacific islands will be a private enterprise driven one, depending on the close support and cooperation from the Pacific island governments concerned. Successful export development will draw on regional skills and market knowledge rather than purely national ones. It will be based on specialized market niches and will have flexibility of production to cope with the shifting of niche openings.

In a discussion of niche marketing it should be emphasized that the key point is the integration of production and marketing. Given the changing nature of niche markets and the necessity to defend them against competitors, vigilance is required, and close cooperation in this regard between producers and marketers is essential. Here again the necessity for harmonizing the aspirations and efforts of the private and public sectors is clear.

As we enter the era of "open regionalism" exemplified by the North American Free Trade Agreement (NAFTA), ASEAN Free Trade Agreement (AFTA), Australia/New Zealand Closer Economic Relation and Trade Agreement (ANZCERTA), and the Single European Market, the much-discussed free trade area for the Pacific islands must now be steadily implemented. For those that accept this belief it is very encouraging to note the progress that the governments of Vanuatu and Fiji have made toward the preparation of a bilateral trade agreement that has the potential to expand into a Pacific islands regional agreement when others are ready to join it.
Greater consolidation of the Pacific islands region’s economic development will strengthen the position of the individual island nations and make it easier for them to compete internationally. There is obviously need for work to be done in analyzing costs and benefits for the region and individual countries. All of my experience to date shows that the benefits will outweigh the costs especially if “negative lists” are incorporated to protect sensitive industries in certain countries.

A further area of regional economic cooperation relates to the proposed regional trade commission service. Public sector support for Pacific islands’ exports needs to be provided in such areas as conducting market research, disseminating market information, channeling the many private sector aid programs available to appropriate entrepreneurs, facilitating joint ventures, introducing product and suppliers to potential overseas importers, overcoming trading barriers and border problems, and developing and servicing media interest in relevant markets.

Such support would normally be forthcoming from the trade commission of the country concerned. However, because most Pacific island countries cannot justify (in cost terms) the maintenance of national trade commissions in all or any of the market locations of importance to them, it is strongly recommended that a regional trade commission service for the Pacific islands be established.

The basic principles involved in establishing this regional trade commission service should be:

- First, it must not be a new drain on regional resources; it must instead rationalize and integrate existing services and offices and draw on regional aid resources available.
- Second, the service must be staffed by a mixture of Pacific island nationals and marketing personnel from the markets in question.
- Third, a minimum of bureaucratic red tape and a maximum of accessibility for Pacific island exporters and investors must be its hallmark.
Fourth, the Forum Secretariat’s Trade and Investment Division is the logical headquarters for the service and, to enhance regionalism, the service should also be open to non-Forum Pacific island countries.

One more step in regional trade and investment integration is required and is readily achievable and relates directly to the regional trade commission proposal. In order to strengthen regional economic cooperation and provide a focus for private enterprise and public sector inquiries, it is necessary that a regional trade data bank and information service must exist for the Pacific islands. The headquarters of the proposed regional trade commission service should be the central coordinating agency of this trade data bank and information service. I refer you to my Conference paper entitled “Increase Pacific Island Exports” for further elaboration on this subject, but let me add that the groundwork of such a data bank was already done by the now-defunct Pacific Islands Association of Chambers of Commerce and the positive work done therein is looking for a new home.

The regional trade commission service will provide the means to develop an indigenous corps of marketing expertise in the Pacific islands. Such a development will occur through the stationing and training of Pacific islanders within the service, allowing them prolonged exposure to the markets of importance to the islands and will immerse them in the business of trade promotion and efficient servicing of the private sector. Tertiary qualifications in marketing are available and should be one of the established areas for the allocation of national scholarships with a view to producing an indigenous corps of marketing expertise in the Pacific islands.

For those who ask what the trade commission will achieve, I refer to the successful development of the Tongan squash export industry. The market niche in this case was identified and researched by the Fiji Embassy in Tokyo and was subsequently developed by Tongan producers. It is worthy of note that this industry depends on no special market access privileges.

We now turn to matters of access and trade agreements. In the face of the gradual devaluation of the preferential trade arrange-
ments such as the Lomé Convention and the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), the Pacific islands should hasten to make full use of these preferences while their benefits still have real value. They are one of the cooperative advantages that the Pacific islands possess and that must be exploited with zeal.

Encouragement in this regard should be taken from the development of export industries such as canned tuna and garments, which have been based substantially on these preferences. In the case of the garment export industry, the utilization of the SPARTECA provisions and the special access that was provided therein to the clothing and footwear markets of Australia and New Zealand constituted the essential springboard for this new Pacific islands export industry. With the structured diminution of the preferences available in the garment trade under SPARTECA that occurred during the 1980s, other markets, notably the United States, have been successfully entered—a phenomena that would not have been possible without the SPARTECA-induced kick-start.

In addition, considerable scope exists for greater use of the non-access aspects of SPARTECA and the Lomé Convention. In this regard the Pacific islands can greatly benefit from work in such areas as promotion of common standards in trade practice, common law, common customs procedures, product certification and quality assurance systems, statistical standardization, and liberalization of trade in services within the region.

How will the “open regionalism” referred to earlier affect Pacific island exports? The brief answer is that early reactions to the Single European Market, NAFTA, AFTA, and ANZCERTA are that they are not expected to have a great effect on the Pacific islands' trade relations. However, concern is beginning to surface in the Pacific islands about the trade effects of Mexican tropical products on the United States/Canada market under NAFTA. Also of concern is the unknown effect of the Eastern European focus of the European Community (EC) development efforts in the future, and the negative spin-off for Africa-Caribbean-Pacific (ACP) countries, which might well result from this dramatic shift in focus.
The Forum Secretariat is preparing to commission an independent review of the Lomé Convention in 1993, and it is imperative that the relevant Pacific island governments and agencies give the review due priority in the formulation of the Pacific islands approach to the new EC market.

Worthy of attention is the fact that the French Pacific territories have special access rights to the EC. Thus it makes sense for the other Pacific island countries to investigate the opportunities for joint ventures and investment for export processing in the French Pacific territories with a view to long-term access to the EC market. Likewise, American Samoa, Guam, and the Compact of Free Association countries in Micronesia have special access rights to the United States. Thus opportunities in these territories should also be fully investigated. Projects arising from such investigation can be expected to increase regional economic cooperation and provide new channels for the processing and exporting of Pacific island resources.

The Joint Commercial Commission (JCC) operating out of the offices of PIDP in Hawai‘i presents an attractive vehicle to travel down the route of enhancing trade and investment between the Pacific islands and the United States. On this count alone the JCC should be receiving far more attention from the private sectors of the United States and the Pacific islands.

Turning briefly to the East Asian market, we can see that it is divided between temperate and tropical countries. The developed temperate countries, Japan and the Republic of Korea, are strong markets for the Pacific islands with complementarity factors that allow for developments in the Pacific islands such as increasing tourist flows and exports of tropical produce. However, the tropical countries of East Asia lack the same levels of complementarity with the Pacific islands, and trade and tourism development should not be expected to follow trends similar to those experienced with Japan and Korea. Nevertheless, the high levels of economic growth and capital accumulation in East and Southeast Asia make it important that the Pacific islands develop additional commercial links with these countries.
In these days of technological leapfrogging, it is salutary to remember that agriculture remains the backbone of most Pacific island countries and that it continues to play a vital social as well as economic role. While the record of agricultural development in the Pacific islands during the 1980s did not live up to expectations, the Pacific island farmers, with their mix of subsistence and cash activities, have impressed agronomists with their qualities of durability and adaptability. They and the comparative advantages of the season and ecological conditions they work within are a special natural resource of the Pacific islands. The potential of this resource can be clearly seen by the success of Samoan taro exports and Tongan squash exports in the latter half of the 1980s.

Fruit and vegetable export development from the Pacific islands requires that more attention be given to seasonal market niches existing in Pacific Rim countries, broadening the market bridgeheads achieved in Pacific Rim cities with Pacific island ethnic populations, and allowing the more efficient producers in the Pacific islands free access to the markets of the other Pacific island countries. Indigenous produce, for example, duruka, and produce that has long been assimilated into the Pacific islands, for example, soursop, should be given the heightened production and market research attention they merit. Overseas markets exist for these special tropical fruit and vegetable products if satisfactory supply lines can be established. Experience shows that it is often the supply rather than the demand that is the weak point in Pacific island export development.

Given the great potential of Pacific island fruit and vegetable exports, urgent attention and resources must be directed at post-harvest treatment facilities in the islands. This includes, in particular, hot forced air facilities and also internationally respected quarantine inspection and field-detection systems. Emphasis on this aspect of fruit and vegetable export development must take into account intraregional trade as well as Pacific Rim markets.

The development of spice exports from the Pacific islands holds much promise in view of the characteristics of such crops as vanilla, notably:
• small-holding,
• labor intensive,
• low technology,
• high unit value,
• long storage qualities and ease of shipment.

The inter-linkage of such spices with the tourist industries of the Pacific islands for gifts and hotel consumption will provide mutual benefits.

A large affluent growing market for food and beverage exists within the hotel industries of the Pacific islands, and over half of this market is currently being supplied with goods imported from outside the islands. The hotel market can provide the core demand for establishment of new farms and food and beverage industries in the Pacific islands. It is strongly recommended that regional attention be focused on rethinking both the supply and demand factors of this market. For an expansion of this recommendation, please refer to my Conference paper described earlier in this address.

Let me emphasize the important point that, in the process of examining the special supply and demand factors of the Pacific island hotel market, it is commercially necessary that a regional Pacific islands cuisine is created. This cuisine should be based on the principle of using Pacific islands produce in creative new ways to cater to the tastes of an increasingly international clientele. Furthermore, a standardized regional tourism cuisine should draw on the most efficient regional suppliers of the products required. Market demand supports additional research and production efforts in aquaculture, floriculture, and value-added timber products. Trade in services has great potential for creating new employment and foreign exchange earning, and Pacific island governments should eradicate those regulations and policies negatively influencing the development of the service sector in the Pacific islands.

An opportunity exists in the film industry for a Pacific islands service center embodying the uniqueness of the region's geo-
graphical, physical, and ethnic composition. The location must possess good airlinks to key Pacific Rim cities, and the host government will have to put in place a promotional agency and appropriate regulations to allow the center to function efficiently. Island governments need only look at the tremendous effort that the state film commissions in the United States put into attracting film making to their states to realize the economic benefits of this foreign exchange industry.

In the global market the Pacific islands have what is a positive, if romantic, image. Thus generic branding of the Pacific island products is called for in order to profit from this image, to distinguish them from their international competitors, and to further enforce and protect the positive image in the market.

As well as greater attention to branding, more effort must be given to the stimulation of demand for Pacific island products. Alternate methods to advertising are available to stimulate demand, centered mainly around alternative ways of working with the media of the markets of relevance. These too are discussed in my Conference paper that has been distributed.

For the Pacific islands' export development efforts to succeed, the Pacific islanders must show a sustained commitment to the adjustment of their economies to global realities. When these realities are faced, the chief strength of the Pacific islands will be the comparative advantages arising from such factors as:

- the freedom for innovative action arising from their national sovereignty,
- their control of immense maritime Exclusive Economic Zones (EEZs),
- the convenience of small size for some industries and investments relying on swift responses,
- the strength and uniqueness of their indigenous cultures,
- their time zone locations,
- a positive pollution-free international image,
the productive exploitation of the formative opportunities provided by the various preferential trade arrangements and aid programs currently available to them.

The brighter future for the Pacific islands, which could emerge from a renewal of the General Agreement on Tariffs and Trade (GATT), will come from the benefits that will accrue to the economies of the Pacific islands if they take the necessary measures to adjust to a more outward-oriented competitive conditions. This is the way the current is flowing, and those not prepared to adjust to global economic realities are likely to remain in the shallows while others move on to the fortunes afforded by their ability to participate on the high seas of international trade.

The 21st century is just around the corner. The Pacific Age has dawned, and the phenomenal economic achievements of our Pacific Rim neighbors to the northwest continue. Still the position of the Pacific islands in the new order of the Pacific Age is unclear. However, when the next generation looks back on our work, our effectiveness will be judged on the basis of one area in particular. That area is the will and commitment that we gave to relentlessly pursuing the adjustment of the economies of the Pacific islands to global realities and to the harnessing of the potential for economic development offered by the special comparative advantages that the Pacific islands possess.
CONFERENCE COMMUNIQUÉ

AND

CONFERENCE RESOLUTIONS
CONFERENCE COMMUNIQUÉ

June 26, 1993

The Fourth Pacific Islands Conference of Leaders was held at Papeete, Tahiti Nui, French Polynesia, from 24 to 26 June 1993.

The following Leaders from the Pacific island countries and territories attended the Conference: the Honorable A. P. Lutali, Governor of American Samoa; the Honorable Sir Geoffrey A. Henry, Prime Minister of the Cook Islands; the Honorable Resio Moses, Secretary of External Affairs of the Federated States of Micronesia; the Honorable Major-General Sitiveni Rabuka, Prime Minister of Fiji; the Honorable Joseph Ada, Governor of Guam; the Honorable John Waihee, Governor of the state of Hawai‘i; His Excellency, the Honorable Teatao Teannaki, Beretitenti of Kiribati; His Excellency, the Honorable Bernard Dowiyogo, President of Nauru; Mr. Gerard Baudchon, representative of New Caledonia; the Honorable Frank Lui, Premier of Niue; the Honorable Lorenzo I. De Leon Guerrero, Governor of the Commonwealth of the Northern Mariana Islands; the Honorable Sir Albert Kipalan, Minister of Public Services of Papua New Guinea; the Honorable Gaston Flosse, President of French Polynesia; the Honorable Dr. Langi Kavaliku, Deputy Prime Minister of Tonga; the Honorable Bikenibeu Paeniu, Prime Minister of Tuvalu; the Honorable Maxime Carlot Korman, Prime Minister of Vanuatu; and the Honorable Fiame Naomi Mataafa, Minister of Education of Western Samoa.

At the invitation of the Leaders, the Honorable Gaston Flosse, the host Leader, chaired the Conference.
Keynote Address on Conference Theme

The Conference adopted as its theme the topic “Sustainable Development and Population,” and in this regard the Pacific island Leaders extended a warm welcome to Dr. Nafis Sadik, United Nations Under-Secretary General, Executive Director of the United Nations Population Fund (UNFPA), and Secretary-General of the International Conference on Population and Development to be held in Cairo in 1994, as the keynote speaker of the Fourth Pacific Islands Conference of Leaders.

The Leaders were unanimous in thanking Dr. Sadik for availing herself to attend the Conference, to share her views with them on the Conference theme, and to give an overview of UNFPA’s activities in support of the countries and territories in the Pacific islands region.

The Conference noted with interest her emphasis on the importance of national governments investing at least 20 percent of their national resources in the social sectors, especially in education, health, and family planning programs, as an effective way of promoting development with an equitable balance between economic growth and population increases.

The Conference also noted the focus of UNFPA program activities on supporting and facilitating the dissemination of information on family planning to encourage and allow people to make their own individual choices, and also on promoting the equal role of women and their increased involvement in productive economic activities.

In appreciation of Dr. Nafis Sadik’s participation in the Conference, and as its contribution to the regional preparatory meeting on the International Conference on Population and Development, to be held in Vanuatu in September 1993, the Conference unanimously adopted the “Resolution on Population and Development.”
Report by the Chairman of the Standing Committee

The Conference received a report from Sir Geoffrey Henry, in his capacity as Chairman of the Standing Committee of the Pacific Islands Conference of Leaders, on the work and activities of the Pacific Islands Development Program (PIDP) since the Third Pacific Islands Conference of Leaders in 1990.

In his report, the Chairman of the Standing Committee highlighted the following major aspects of the development and progress of PIDP during the past three years:

- a significant increase in financial contributions to PIDP from the government of the United States as well as from other governments, in particular, Australia, Japan, and New Zealand, which allowed for PIDP staff to be paid by the East-West Center, thereby allowing country contributions to be dedicated to projects and programs.

- the streamlining of PIDP’s work program into the following six major research areas:
  - privatization and commercialization;
  - small business development;
  - country economic assessment;
  - aid, trade, and international investment;
  - industry analysis; and
  - macroeconomic environment.

- the introduction of a more flexible and expanded human resource development program catering specifically to the special needs of member governments of the Conference.

- the establishment of a Joint Commercial Commission (JCC) between the United States and a number of Pacific island nation member governments of the Conference for the purpose of promoting economic and commercial relations, which, it was hoped, would
eventually include all member governments of the Pacific Islands Conference.

In adopting the report, the Conference expressed deep gratitude to the Chairman of the Standing Committee for his comprehensive review and his outstanding contribution to the development of PIDP.

The Conference also expressed its sincere thanks to the President of the East-West Center, Dr. Michel Oksenberg, for his support for PIDP.

The Leaders noted with appreciation that PIDP is now fully recognized within the East-West Center and within the Pacific islands region.

**Presentation by the Director of PIDP**

The Leaders thanked and congratulated the Director of PIDP, Dr. Sitiveni Halapua, for his presentation to the Conference on "Sustainable Development: From Ideal to Reality in the Pacific Islands" and, in particular, his emphasis on the importance of non-material factors, including traditional and cultural values, as relevant considerations in the formulation of development policies.

The Conference agreed that the Director should further develop, as appropriate, the proposed approach outlined in his presentation, reporting thereon to the Standing Committee of the Conference.

**Country Statements**

The Leaders individually made statements on the Conference theme.

The following were the general points that they stressed:

- Pacific island Leaders are firmly committed to a framework for sustainable development that will en-
sure that resources are used in ways that will meet the needs of present generations without compromising the quality of life for future generations.

- The challenge of sustainable development for the Pacific islands requires a reassessment of the directions that island governments will pursue in advancing the quality of life for their peoples. The concept of sustainable development may vary from country to country, but in Pacific island societies it basically refers to a style of life that is acceptable to local communities and affordable, and one that will promote pride in culture and traditions that have sustained the islands for generations.

- Population issues are a fundamental element to policies that promote sustainable development. Population policies may seek common goals, but the means for achieving these goals must be suited to the particular social, economic, and political conditions of the societies they are designed to benefit.

- The Pacific islands must raise a collective voice in the international arena to ensure that metropolitan powers and developing nations in other areas of the world recognize the special character of the challenges confronting the region with respect to sustainable development and population. The Pacific island Leaders welcome the opportunity to contribute to the deliberations and decisions of international bodies focusing on the complex and pressing issues associated with sustainable development.
Election of Standing Committee

As in the past, the Conference elected members of the Standing Committee for the next three years as follows:

Chairman: The Honorable Bikenibeu Paeniu, Prime Minister, Tuvalu
Vice-Chairman: The Honorable Sir Geoffrey A. Henry, KBE, Prime Minister of the Cook Islands
Members: Governor, Guam
Governor, Hawai‘i
President, Federated States of Micronesia
Prime Minister, Fiji
President, French Polynesia
President, Republic of Nauru
Prime Minister, Papua New Guinea
Prime Minister, Kingdom of Tonga
Prime Minister, Western Samoa
Prime Minister, Republic of Vanuatu

The Leaders of Pacific island countries appreciated the participation of the representatives of metropolitan governments from Australia, Chile, France, New Zealand, Japan, People’s Republic of China, and the United States, as well as representatives of international and regional organizations and educational and research institutions. They are an essential part of the Conference because the Pacific islands are an integral part of the global community.
US/PIN JCC

The Conference approved the resolution "United States/Pacific Island Nations Joint Commercial Commission (JCC) and Forum Island Countries/United States Joint Declaration of Co-operation (JDC)" as proposed by the twentieth meeting of the Standing Committee.

Financial Contribution to PIDP

The Conference also approved the resolution "Terms of Reference of, and Financial Contributions to, the Pacific Islands Development Program" as proposed by the twentieth meeting of the Standing Committee.

Venue for the Next Conference

The Conference accepted an invitation from the Cook Islands subject to confirmation by the Standing Committee.

Appreciation

The Leaders expressed their profound gratitude and appreciation to the President of French Polynesia, the Honorable Gaston Flosse, and to his government and the people of Tahiti Nui for their generosity in hosting the Fourth Pacific Islands Conference of Leaders and for the warm welcome and hospitality extended to all visiting delegations.
RESOLUTION ON:
United States/Pacific Island Nations
Joint Commercial Commission (JCC) and
Forum Island Countries/United States
Joint Declaration of Co-operation (JDC)

The Leaders of Pacific island nations, meeting as members of the Standing Committee of the Pacific Islands Conference of Leaders, at the East-West Center, Honolulu, Hawai‘i, on January 26 and 27, 1993,

Recalling the Summit Meeting between the President of the United States of America and the Leaders of Pacific island nations at the East-West Center, Honolulu, Hawai‘i, on October 27, 1990, at which U.S. President George Bush proposed a United States/Pacific Island Nations Joint Commercial Commission (JCC) to promote the development of mutually beneficial commercial and economic relations between the Pacific island nations and the United States of America,

Recalling the ready acceptance by the Leaders of the Pacific island nations of this United States initiative for a Joint Commercial Commission, and also their expressed desire to conclude with the United States of America a Joint Declaration of Co-operation (JDC), committing both the Forum island countries and the United States of America to cooperate closely over the broad range of their political, economic, and cultural relationships on the principles of full participation by all parties and of mutuality of interests,

Recognizing the long historical ties of friendship and cooperation between the Pacific island nations and the United States of
America, and their mutual desire to strengthen this further for the benefit of their peoples,

Recognizing the high priority that all Pacific island nations have placed on the development of their private and commercial sectors and of the expansion and enhancement of their export trade in their endeavors to promote sustained economic growth and to improve the welfare of their peoples,

Recognizing the critical importance of the United States as a market for Pacific island exports and as a source of technical and investment resources and of general development assistance and support for all Pacific island nations,

Noting the significant and constructive role and contribution of the state of Hawai‘i and of the East-West Center in the development and the establishment of the Joint Commercial Commission,

Have resolved as follows:

- **Welcome** the signing on January 12, 1993, of the Memorandum of Understanding between the United States of America and the Pacific island nations formally establishing the Joint Commercial Commission,

- **Welcome** the establishment of the Joint Commercial Commission as a significant step forward in the further development and strengthening of friendly and cooperative relationships between the Pacific island nations and the United States of America,

- **Call** on the Pacific Islands Conference of Leaders to convey to United States President William J. Clinton and his Administration the sincere gratitude and appreciation of all Pacific island nations to the government of the United States of America for its initiative in proposing the Joint Commercial Commission,

- **Call** on the Pacific Islands Conference of Leaders to convey to Governor John Waihee of the state of Hawai‘i and Dr. Michel Oksenberg of the East-West Center their profound appreciation of the invaluable
assistance provided by both the state of Hawai‘i and the East-West Center in the successful development and establishment of the United States/Pacific Island Nations Joint Commercial Commission,

• **Call** on the Pacific Islands Conference of Leaders to request the United States Administration and the United States Congress for their support in the full development of the Joint Commercial Commission as a regular consultative forum, through which to substantively and substantially expand the cooperation between the United States of America and the Pacific island nations in their commercial and economic relations,

• **Call** on the Pacific Islands Conference of Leaders to strongly recommend to the South Pacific Forum that the Joint Declaration of Co-operation to be negotiated with the United States of America should also seek to include a commitment by the United States of America to grant to the Pacific island nations the same special trade concessions and related support measures that it has provided for the island nations of the Caribbean region under its Caribbean Basin Initiative.
RESOLUTION ON:
Terms of Reference of, and
Financial Contributions to, the
Pacific Islands Development Program

The Leaders of the Pacific island nations, meeting as members of the
Standing Committee of the Pacific Islands Conference of Leaders,
at the East-West Center, Honolulu, Hawai‘i, on January 26 and 27,
1993,

Recognizing the importance of and the contribution of the Pacific
Islands Development Program (PIDP) of the East-West Center to
the economic and social development of the Pacific island nations,

Noting with appreciation the expansion by the Pacific Islands
Development Program of its program activities to include the
 provision of human resources development assistance and sup­
port to Pacific island nations, and the management and coordina­
tion of Pacific island nations participation in the US/PIN Joint
Commercial Commission (JCC), as well as continuing with its
research activities,

Noting with appreciation the role that the East-West Center has
entrusted to the Pacific Islands Conference of Leaders and its
Standing Committee to give direction to the Pacific Islands
Development Program and to determine its program activities,

Welcoming the increased technical and financial resources that the
East-West Center has committed to support the expanded pro­
gram activities of the Pacific Islands Development Program,
Have resolved as follows:

- **Call** on the Pacific Islands Conference of Leaders to express to President Michel Oksenberg of the East-West Center their continued appreciation to the East-West Center for its support and assistance to the Pacific island nations through its Pacific Islands Development Program,

- **Recommend** to the Pacific Islands Conference of Leaders that on the basis of the ongoing partnership status of the Pacific Islands Development Program as a joint endeavor between the East-West Center and the Pacific island nations, all member countries of the Pacific Islands Conference should, effective January 1, 1994, and as a mandatory undertaking, contribute financially to the Pacific Islands Development Program, as set out in the schedule attached hereto,

- **Recommend** to the Pacific Islands Conference of Leaders to agree that notwithstanding the continued focus of the Pacific Islands Development Program's research activities on basic and applied research, PIDP may, within its capacity and resources, and strictly in a consultative and advisory capacity, assist in the preparation and implementation of action research directed toward advancing national development plans and strategies, in particular, the current emphasis of its research activities on the development of the private sector.
### Schedule of Financial Contributions

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RESOLUTION ON:
Population and Development

Small Group Session 1: Population, Development, and the Environment

Chairman: Prime Minister of Vanuatu
The Honorable Maxime Carlot Korman

On the group’s recommendation, the Conference adopted the following resolution:

That PIDP give high priority to research connected with the study of the interactions between population, development, and the environment.

Recognizing that population issues are a critical component of sustainable development;

Recognizing that the Pacific islands wish to participate fully in devising the World Population Plan of Action at the International Conference on Population and Development to be held in Cairo, September 1994, and wish to play a visible role in spotlighting world attention to the special characteristics of the Pacific island countries and their unique population and development problems as a distinct group occupying one-third of the globe;

Welcoming the participation of Dr. Nafis Sadik, United Nations Under-Secretary General, UNFPA Executive Director, and Secretary-General of the 1994 International Conference on Population and Development, at the Fourth Pacific Islands Conference of
Leaders as the keynote speaker on the Conference’s theme of “Sustainable Development and Population”;

Recognizing the leading role in the area of population that the United Nations Population Fund (UNFPA) plays in the Pacific and particularly the recent approval of the first multisectoral population program of assistance to the Pacific islands for the period 1992–96 approved by the UNFPA Governing Council;

Welcoming the establishment of the UNFPA country support team as a vehicle to promote an integrated approach to issues of population and sustainable development and to provide technical advisory and support services to national population programs;

Have resolved to urge the Vanuatu Technical Ministerial Meeting while reflecting the sentiments of “Population and Sustainable Development” in the context of the Pacific islands to give particular attention to the following:

- Population growth, changes in demographic structure, including aging of population, and the regional diversity of such changes, with particular emphasis on the interaction between demographic variables and socio-development;
- Population policies and programs, with emphasis on the mobilization of resources for developing countries, at the international and national levels by each country according to its capacity;
- The interrelationships between population, development, environment, and related matters;
- Changes in the distribution of population, including socioeconomic determinants of internal migration and the consequences for urban and rural development, as well as determinants and consequences of all types of international migration;
- Linkages between enhancing the roles and socioeconomic status of women and population dynamics, including adolescent motherhood, maternal and child
health, education and employment, with particular reference to the access of women to resources and the provision of services; and

- Family planning programs, maternal child health, and family well-being.

The above resolutions will seek to define clearly the objectives and goals that need to be pursued by governments, nongovernmental organizations, and the international community to improve prospects for accelerated economic growth, to reduce high rates of population, and to produce conditions under which the development process could be maintained and promoted on a sustained and sustainable basis.

In addition, the action plan should outline fundamental concerns and issues at the center of all action on population and development and set the context for all subsequent recommendations and observations. It will include the following issues:

- Individual rights and responsibilities
- Societal rights and obligations
- Gender equity and the empowerment of women
- Choice and the protection of reproductive rights
- Intergenerational equity and responsibility
- Opposition to coercion
- The interrelationship of population and sustainable development
- Protection of vulnerable groups, particularly women and children, in times of disaster.

The second part of the action plan will address, on a sectoral basis, issues relating to population, sustained economic growth, and sustainable development.
Integrating Population Concerns into Development

Including:

- appreciation of the concept of sustainable development,
- actions to integrate population concerns in development so as to improve the quality of life and alleviate poverty,
- emphasis on human activity on the environment.

The Role and Status of Women

Including actions to achieve genuine gender equity; the full spectrum of issues involving women and population concerns.

Population Growth and Structure

Including:

- the diversity of population growth rates and ways in which countries can address the consequences of demographic trends;
- the challenges created by high proportions of children and young people in Pacific island populations and how these challenges might be met;
- the steady increase of older age groups and how the economic and social impact of this aging of Pacific island populations may be met;
- changes under way in patterns of family formulation and the composition and structure of families, and the implications of such changes for demographic processes and the formulation of policies and programs.
Reproductive Rights, Reproductive Health, and Family Planning

Including:

- the diversity of fertility levels and the manner in which these have been assisted to decline;
- the availability of family planning to guarantee the right of individuals and couples to decide the number and spacing of their children and to promote the health of women, children, and the family;
- adolescent fertility and related issues regarding the welfare of young men, young women, and the children they bear.

Health and Mortality

Including:

- goals and targets in health and mortality;
- the demographic and health impacts of AIDS in Pacific island countries;
- maternal mortality and morbidity and actions to reduce these, particularly in relation to unsafe abortions.

International Migration

Including:

- measures to protect the rights of migrants and to ensure that the positive consequences of migration are realized in countries of both origin and destination;
- strategies and policies to deal with possible future flows of refugees and asylum seekers.
Population Distribution and Internal Migration

Including:

- measures to meet the challenges of continued urban growth, with particular emphasis on the needs of poor urban dwellers;
- measures that foster sustainable development by taking into account the positive and negative impacts of population distribution and migration;
- population distribution policies and development policies and measures leading to a better integration of spatial considerations in development strategies.

Information, Education, and Communication

Including:

- ensuring widespread dissemination of relevant information on population and development;
- providing information and education that emphasize reproductive choices and responsibilities;

Capacity-building to Manage Population Programs

Including:

- strategies to develop effective, integrated programs that address population issues, particularly family planning, within the context of sustainable economic activities;
- strategies and training programs to enhance national capacity and effectiveness in program management;
- establishment of effective institutional arrangements.
Technology and Research

Including:

- guidelines on data collection and analysis to make use of demographic information and promotion dissemination of research;
- encouragement and support of substantive and operational research, particularly in the area of human reproduction and the development of safe and effective contraception.

National and International Action

Including:

- activity at the national level to fully integrate population policies into socioeconomic development strategies;
- international cooperation to provide to Pacific island countries assistance for population-related activity, socioeconomic development, and sustainability.

Supporting a Workable Partnership

Including: The contribution of community groups, nongovernmental organizations, the private sector, and other relevant participants to the development and implementation of population-related activities.

Strong recommendation that international donors, including UN agencies, provide adequate funding support to national and regional population and development programs.
RESOLUTION ON:
Culture and Commercial Business Development

Small Group Session 2: Culture and Commercial Business Development

Chairman: Prime Minister of Tuvalu
The Honorable Bikenibeu Paeniu

On the group's recommendation, the Conference adopted the following resolution:

1. The meeting resolved that PIDP continues its research into the development of the private sector in the Pacific with particular emphasis on understanding the nature of successful indigenous business within particular social and cultural contexts. This research should be country specific, oriented toward policy formulation, cooperative, and interdisciplinary.

2. As per one of the recommendations of the Asian Development Bank (ADB) financed private sector development reports, governments (with the assistance of PIDP and/or other appropriate agencies) should identify and prepare integrated policies and strategies that will further the development of the Pacific private sector with sensitivity towards the social and cultural environment.

3. The development of government policies to encourage local entrepreneurship should include careful consideration of the positive cultural factors while still being
sensitive to cultural constraints. Policymakers should identify areas of the economy suitable for expansion and consolidation of indigenous enterprises and develop an integrated approach to supporting local entrepreneurs.
RESOLUTION ON:
Trade and Investment

Small Group Session 3: Trade and Investment

Chairman: Prime Minister of Fiji
The Honorable Major-General Sitiveni Rabuka

On the group’s recommendation, the Conference adopted the following resolution:

1. Recognizing the advantages of closer regional economic cooperation and the mutual benefits that will arise from an enlarged Pacific islands market, and expressing support for further bilateral trade agreements within the region, the Conference endorses movement toward the creation of a Pacific Islands Trade Agreement that will allow progressively freer access to each others markets and the encouragement of Pacific islands intra-regional trade.

2. With a view to achieving greater self-reliance and success in the Pacific islands’ export development efforts, and desirous of streamlining regional trade promotion agencies, the Conference calls for the formation of a Regional Trade Commission that will integrate and strengthen existing regional trade promotion facilities giving all Pacific islands access to its services, developing marketing skills and market intelligence, and providing new impetus to the creation of sustained exporting from the Pacific islands.
Appendix I

AGENDA
THE FOURTH PACIFIC ISLANDS
CONFERENCE OF LEADERS

Tahiti Nui
June 24-26, 1993

THEME: SUSTAINABLE DEVELOPMENT
AND POPULATION

JUNE 24th, THURSDAY

3:00 p.m. Official Opening

• Address by the Conference Chairman, President of French Polynesia, The Honorable Gaston Flosse

• Address by the High Commissioner of France

• Address by the President of the East-West Center, Dr. Michel Oksenberg

• Report by the Chairman of the Standing Committee, The Honorable Sir Geoffrey A. Henry, KBE, Prime Minister of Cook Islands

• Review and Adoption of Agenda

8:00 p.m. Official Reception by Chairman of Conference (Tahiti Beachcomber Parkroyal Hotel)
JUNE 25th, FRIDAY

8:00 a.m.  Breakfast of Leaders (closed)
(Hotel Hyatt Regency Club Lounge)

9:00 a.m.  Address by United Nations Under-Secretary General, Executive Director of UNFPA, Dr. Nafis Sadik

Refreshment Break

MAJOR DIMENSIONS AND PROPOSED NATIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

• Presentation by PIDP Director: “Sustainable Development: From Ideal to Reality in the Pacific Islands,” by Dr. Sitiveni Halapua

• Discussion

NATIONAL ISSUES OF SUSTAINABLE DEVELOPMENT

• Statements by Heads of Delegations

12:30 p.m.  Lunch hosted by Westpac Banking Corporation
(Hotel Hyatt Regency)

2:00 p.m.  (continued) NATIONAL ISSUES OF SUSTAINABLE DEVELOPMENT

• Statements by Heads of Delegations

Refreshment Break

• Discussion of Statements by Heads of Delegations

• Time permitting: responses by metropolitan countries’ Heads of Delegations

8:00 p.m.  Dinner at convenience
JUNE 26th, SATURDAY

7:30 a.m.  Breakfast of Leaders (closed)
(Gaston Flosse Residence)

8:30 a.m.  • Plenary Session: PIDP presentation, "Managing Government for Sustainable Development"
Presenter: Professor James McMaster
Discussant: Mr. Savenaca Siwatibau

Refreshment Break

10:30 a.m.  Three Parallel Discussion Groups

• Discussion Group 1: Population, Development, and the Environment (Room: Captain Cook)
Presenters: Dr. Margaret Chung, "Population and Sustainable Development in Pacific Island Countries"
Dr. Vili Fuavao, "Implications and Effective Implementation of Agenda 21 for the Pacific"

• Discussion Group 2: Culture and Commercial Business Development (Room: Fare Aito 2)
Presenters: Dr. Antony Hooper, and Dr. Kerry James, "Sustainability and Pacific Cultures"
Mr. Stephen Pollard, and Mr. Ropate Qalo, "Development Sustained by Enterprise: Toward Policies for Economic Stimulation"

• Discussion Group 3: Trade and Investment (Room: Fare Aito 1)
Presenter: Mr. Peter Thomson, "Increase Pacific Islands' Exports"
12:30 p.m.  Lunch (Hotel Hyatt Regency)

2:00 p.m.  Plenary session resumes:
  • Summary and Recommendations
  • Conference Resolutions
  • Standing Committee Members and Chairman
  • Other business

8:00 p.m.  Reception by President of the East-West Center
          (Hotel Hyatt Regency)
Appendix II

LIST OF PARTICIPANTS

COUNTRY DELEGATIONS

AMERICAN SAMOA
The Honorable A. P. LUTALI
Governor
Pago Pago
American Samoa

Mr. Ena Sili ATUATASI
Secretary for Foreign Affairs
Pago Pago
American Samoa

CHINA - GOVERNMENT OF THE
PEOPLE’S REPUBLIC OF CHINA
The Honorable Hua JUNDUO
Ambassador
China

Mrs. Zhao SHUYUN
China

Mr. Sun JIANING
China

CHILE
The Honorable Octavio ERRAZURIZ
Ambassador
Ministry of Foreign Affairs
Chile

COOK ISLANDS
The Honorable Sir Geoffrey A. HENRY, KBE
Prime Minister
Rarotonga
Cook Islands

Mr. Aukino TAIREA
Secretary for Foreign Affairs
Rarotonga
Cook Islands

Dr. James GOSSELIN
Chairman
National Advisory Board
Rarotonga
Cook Islands

Mr. Temu OKOTAI
Chief of Staff
Prime Minister’s Office
Rarotonga
Cook Islands

Mr. Robert WORTHINGTON
Cook Islands Honorary Consul
Honolulu
Hawai‘i

Mr. Tupa TUPA
Rarotonga
Cook Islands
FEDERATED STATES OF MICRONESIA
The Honorable Resio S. MOSES
Secretary of External Affairs
Kolonia, Pohnpei
Federated States of Micronesia
Mr. Epel K. ILON
Assistant Secretary of External Affairs
Kolonia, Pohnpei
Federated States of Micronesia

FIJI
The Honorable Major-General Sitiveni L. RABUKA
OBE Mil, MSD Ost. J, MP
Prime Minister
Suva
Fiji
Mr. Jioji KOTOBALAVU
Permanent Secretary
Prime Minister’s Office
Suva
Fiji
Mr. Winston THOMPSON
Permanent Secretary for Commerce
Suva
Fiji
Mr. Emitai BOLADUADUA
Deputy Permanent Secretary
Foreign Affairs and External Trade
Suva
Fiji
The Right Honorable I. GAVIDI
Director of Trade and Commission
Suva
Fiji
Mrs. Meri TUILOMA
Assistant Secretary
Ministry of Foreign Affairs and External Trade
Suva
Fiji

Mr. Sireli DAUNIDALO
Head of Fiji Unit CPO
Suva
Fiji
Mr. Isireli KOYAMAIBOLE
Head of Fiji Unit CPO
Suva
Fiji
Mr. E. TUDIA
Private Sector
PM Cab
Suva
Fiji
Mr. J. TAROGI
Senior Assistant Secretary
PM Cab
Suva
Fiji

FRANCE
The Honorable Jacques LE BLANC
Ambassadeur de France
Secretarie Permanent du Conseil du Pacifique Sud
Paris
France
The Honorable Dominique PERBEN
Minister of Overseas Departments and Territories
Paris
France

FRENCH POLYNESIA
The Honorable Gaston FLOSSE
President
Papeete
Tahiti Nui
French Polynesia
Mr. Alexandre Moeava ATA
Special Advisor for Foreign Affairs and Regional Cooperation
Papeete
Tahiti Nui
French Polynesia
GUAM
The Honorable Joseph F. ADA
Governor
Agana
Guam

Lourdes T. PANGELINA
Permanent Secretary for Foreign Affairs and Civil Aviation
Agana
Guam

Ms. Joanne M. BROWN
Deputy Administrator
Guam Environmental Protection Agency
Agana
Guam

HAWAI’I
The Honorable John WAIHEE
Governor
Honolulu
Hawai’i

Mr. Francis LUM
Chief Protocol
Honolulu
Hawai’i

Ms. Brenda Lei FOSTER
Director
Office of International Relations
Office of the Governor
Honolulu
Hawai’i

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Mr. Yukata NAKAMURA
Haut Fonctionnaire
Government Oceanian Division
Foreign Ministry
Tokyo
Japan

KIRIBATI
His Excellency, The Honorable Teatao TEANNAKI
President
Tarawa
Kiribati

Mr. Peter T. TIMEON
Secretary to the Cabinet and Permanent Head of the Public Service
Tarawa
Kiribati

Dr. Terenganuea TAARAM
Chief of Preventive and Public Health
Tarawa
Kiribati

Mr. Lukabu TEROROKO
Chief Fisheries Officer
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Kiribati

Mr. Tuare IOANE
Assistant Superintendent of Police
Tarawa
Kiribati

Mr. K. RUAIA
Agriculture Secretary for Foreign Affairs and International Trade
Tarawa
Kiribati

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His Excellency, The Honorable Bernard DOWIYOGO
President
Yaren
Nauru Island
Central Pacific

Mr. Rene HARRIS
Chairman
Nauru Phosphate Corporation
Yaren
Nauru Island
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Mr. Brian BLUNDELL
General Manager
Nauru Phosphate Corporation
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Mr. Gerard BAUDCHON
Chargé de mission pour la cooperation regionale auprès du Haut Commissariat Noumea
New Caledonia

Mr. JOREGNIE
Noumea
New Caledonia

NEW ZEALAND
Mrs. Sarah DENNIS
Head
South Pacific Division
Ministry of Foreign Affairs
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NIUE
The Honorable Frank LUI
Prime Minister
Alofi
Niue

Mr. Toe TONGATULE
Acting Secretary to Government
Alofi
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COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
The Honorable Lorenzo I. DE LEON
Governor
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Mr. Thomas G. BRUCE
Special Legal Counsel
Saipan
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Mr. Grina MIZUTANI
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Office of the Governor
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PAPUA NEW GUINEA
The Honorable Sir Albert KIPALAN
Minister for Public Services
Papua New Guinea

The Honorable Yaip AVINI
National Member of Parliament
Papua New Guinea

The Honorable Mathias KARANI
National Member for Lufa
Papua New Guinea

The Honorable Margaret TAYLOR
Ambassador of Papua New Guinea in the United States
Washington, D.C.

The Honorable Peter TSIAMALILI
Ambassador of Papua New Guinea in Fiji
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Mr. Michael KUMAN
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France Presse
AFP
New Zealand

Mr. Fraser FOLTER
Press
Radio New Zealand
New Zealand

Mme Nicole KERN
Le Figaro
France

Mr. Biancone PATRICE
Journalist
France

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France

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Dr. Michel OKSENBERG
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Ms. Jane HO
Secretary

Dr. Antony HOOPER
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Mr. Ropate QALO  
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Dr. Mara ROSENTHAL  
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Ms. Mary YAMASHIRO  
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Dean  
Faculty of Management  
University of Canberra  
Canberra  
Australia

Mr. Peter THOMSON  
Managing Director  
Thomson Pacific Resources, Ltd.  
Auckland  
New Zealand
Appendix III

ADDRESS

Monsieur Gaston Flosse
Président de la Polynésie Française
Président de la 4ème Conférence des Leaders Océaniens
(Tahiti, 24 juin 1993)

Monsieur le président de la République, Messieurs les chefs de gouvernement, Monsieur le Ministre de la République Française, Messieurs les représentants des gouvernements des États et territoires membres de la Conférence, Monsieur le président d'East-West Center, Madame le secrétaire général adjoint de l'organisation des Nations Unies,

Mesdames, Messieurs les observateurs, Mesdames, Messieurs les participants,

Je souhaite tout d'abord vous faire part des excuses de certains de nos distingués collègues:

Monsieur le Premier Ministre de Western Samoa donne délégation à Mademoiselle le Ministre de l'Éducation qui nous rejoindra demain, Monsieur le Gouverneur de Hawaï qui nous accueillera demain, Monsieur le Premier Ministre des Îles Salomon, Monsieur le Président de la République de Nauru, qui est sur le point d'arriver à Papeete, Monsieur le Chef de gouvernement des Îles Marshall, Monsieur le Chef de gouvernement de Palau, Monsieur le Chef de l'exécutif de Tokelau, Monsieur le président de l'assemblée territoriale de Wallis et Futuna, Messieurs les représentants du Congrès de la Nouvelle-Calédonie.
Je porte enfin à la connaissance de la Conférence que Monsieur le premier ministre de Malaisie par une lettre du 23 Mars dernier, m’a indiqué qu’à l’invitation que je lui avais fait parvenir avec votre assentiment, il était au grand regret de ne pouvoir répondre favorablement. Le Dr Mahathir Bin Mohamad assure la Conférence de son soutien, et confirme que son pays est entièrement ouvert à toute exploration des possibilités de contribution au développement des pays insulaires du Pacifique.

Ayant excusé ceux qui n’ont pu être, ou qui ne sont pas encore, avec nous, il me reste le très agréable honneur de vous souhaiter à chacun d’entre vous, la bienvenue en Polynésie Française. Maeva et Manava, welcome, à tous, et que votre séjour parmi nous renforce encore les liens de toute notre communauté du Pacifique.

C’est la première fois que nous accueillons la Conférence des Leaders dans le cadre du PIDP.

Et je vois un symbole dans le fait que dans cette circonstance, notre hymne, qui vient d’être adopté par l’Assemblée territoriale, a été joué pour la première fois. Après notre sceau, après notre drapeau, notre hymne vient compléter les attributs de notre autonomie, et je suis fier que ce soit aujourd’hui.

Dans le quadrilatère aux contours tourmentés qui cerne nos différents pays, le nôtre occupe une position si excentrée, qu’à vous accueillir ici je me rends bien compte de l’honneur redoutable qui nous est fait.

Et la décision qu’a prise le PIDP en janvier 1992 de proposer cette rencontre, est certainement une manifestation de solidarité océanienne dont nous mesurons toute la symbolique humaine, culturelle, économique et sociale.

Notre si grand océan est perçu diversément. On lui assure généralement un grand avenir. On lui prédit même un destin dominant.

Mais tous ici, nous savons bien que ces projections sont bien éloignées de ce que nous vivons dans notre quotidien. Car la réalité affirme ses droits.
Et celle-ci nous révèle qu’à moins d’une vigilance extrême, et de quelques sévères révisions mentales, le futur pourrait bien enjamber le Pacifique, et en définitive ne tolérer aucun espace intermédiaire d’intérêt, face aux puissances périphériques. Longtemps, notre région fut de rêves, de littératures, et même de sombres calculs. Cette histoire n’a pas fini de dérouler ses ambiguïtés. La grande nouveauté des quelques décennies passées, il faut la chercher dans le désir, et même le besoin lancinant d’interroger son voisin, de consulter les organisations régionales, de faire que la connaissance et l’expérience se diffusent jusqu’aux confins les plus reculés pour que la vie s’améliore ici, se dynamise là-bas, se mette à battre aux rythmes des saisons. Notre vie doit se donner pour objectif un ajustement permanent pour que se pérennissent dans le temps, les équilibres fragiles de nos sociétés dispersées.

Pour mieux apprécier ces conducteurs, comme on le dit des scénarios, East-West Center rassemble pour notre édification, un bon éventail d’orientations de recherche. Leur lecture appliquée fait apparaître d’intéressants modèles dont le mérite se jauge à l’aune des vicissitudes de nos lentes évolutions.

Ce qui rend notre tâche difficile, c’est que les signes, qui ponctuent à notre insu les métamorphoses, sont souvent imperceptibles ou sous-jacents. Les surprises, les déconvenues, et l’erreur sont notre lot. C’est tout le thème de la décision qui se conjugue ici.

Mais ce qui donne à notre action, et à nos actions conjuguées encore plus, leur sens réel, c’est la conscience qu’une commune approche rend mieux compte des possibilités d’intervention, d’interaction et de correction. Alors il faut choisir. C’est pourquoi nos discussions seront si utiles. Tel est le sel dont se nourrit notre terre, dans un mouvement où les corrosions produisent leurs effets sans retour.

S’il est un domaine de l’activité humaine dont nous savons bien qu’il relève de cette catégorie, c’est celui de la démographie. Il est notoire qu’à cet égard, nous ayons une attitude peu claire, en raison de la nature même du phénomène. Ou bien l’accent est mis sur le danger de débordement allogène, et deux conséquences contradictoires en découlent: d’une part, un réflexe où la crainte
se mue en frilosités sociales; d'autre part, un réflexe de réaction endogène entraînant une cadence accrue de l'augmentation de la population. Ou bien l'accent est mis sur la recherche patiente d'équilibres sans cesse en mouvement, et cette attitude induit à son tour deux effets contraires: d'une part une dilution socio-logique et culturelle; d'autre part des comportements dont l'instabilité même rend plus difficile encore à atteindre la situa-tion d'équilibre souhaitée.

Ces dilemnes sous-tendent les sujets principaux de nos discus-sions à venir. C'est un débat sérieux. Il a été abordé par des con-trubutions écrites, avec une rigueur dont j'ai apprécié la tenue.

Il comporte des aspects qui ne sont pas tous réjouissants.

Il ouvre des perspectives de décisions échelonnées parfois peu compatibles avec les dures échéances politiques. Mais cela, n'est-il pas vrai? C'est un chapitre d'une autre histoire qui n'est pas inscrite à notre ordre du jour.

Il est deux sujets qu'avec votre permission je souhaite aborder en qualité de chef du gouvernement de la Polynésie Française.

Le premier concerne l'utilisation de nos capacités d'accueil à l'extérieur de Tahiti. En matière de tourisme, mon gouvernement est disposé à faire accueillir dans trois des représentations de no-tre organisme de promotion le Tourism Council of the South Pacific.

Ces trois points d'appui sont Tokyo, Santiago et Paris.

Si cette proposition était favorablement accueillie, le TCSP et Tahiti Tourisme examineraient ensemble les formes de cette cohabitation.

J'ajoute que je propose à tous les chefs de gouvernement des pays insulaires de mettre à leur disposition des bureaux dans l'immeuble de la délégation de la Polynésie Française, qui dispose de moyens en personnel et en matériel, lors de leur passage à Paris.
Le second concerne l'industrie dite de la perle noire. Etant entendu qu'un engagement permanent devra assurer la qualité du produit; que les retombées économiques doivent se diffuser au sein des populations concernées; qu'une panoplie de mesures concrètes sera mise en œuvre pour prévenir la concurrence sauvage et fratricide; enfin, que seule une action conjuguée permettra de maîtriser les risques d'effondrement des cours; mon gouvernement est disposé à aider les pays du Pacifique dans ce domaine.

Nous pourrions réaliser sur demande, et dans des conditions pratiques et financières à préciser des études de stocks et d'appréciation biologique de faisabilité.

Nous pourrions contribuer à la formation de personnels techniques praticiens, au Centre des métiers de la nacre et de la perliculture de Rangiroa.

Enfin, nous pourrions faire profiter nos partenaires de 20 années de réputation acquise, et d'expérience de commercialisation, en particulier de celle d'une commercialisation groupée.

Naturellement, il y a une contrepartie dont chacun ici appréciera la portée.

Je veux parler, en y insistant, sur la nécessité que des garanties juridiques sérieuses soient prises d'une part, contre la vente en ordre dispersé; d'autre part, pour que les retombées de cette coopération nouvelle et prometteuse, soient principalement destinées aux populations considérées. Un moyen de concrétiser ce dernier objectif de nouvelles ressources, pourrait être par exemple l'institution du système coopératif, dont mon pays connaît bien le fonctionnement.

J'ajoute enfin, me souvenant que j'ai été Secrétaire d'Etat chargé du pacifique sud dans le gouvernement de Jacques Chirac de 1986 à 1988, que je souhaite ardemment que la France retrouve un rôle à sa mesure et conforme à sa tradition dans le Pacifique, celui d'une coopération amicale et dont les effets bienfaisants soient visibles.
Je crois comprendre que c’est bien l’intention du gouvernement de Monsieur Balladur.

La présence parmi nous de Monsieur Dominique Perben, Ministre des Départements et Territoires d’Outre-Mer, qui vient de rendre visite à deux de nos pays voisins me paraît en être un premier signe, et j’en salue ici le bon augure.

Mes chers collègues, durant les 3 jours qui vont suivre, votre président s’efforcera, comme il se doit de le faire, à la neutralité qui convient au bon déroulement de nos travaux.

J’ai d’avance la certitude que, dans cet exercice, nouveau pour moi, vous m’aiderrez pleinement.

C’est donc avec l’assurance de votre bienveillant concours que je déclare ouverte la 4ème Conférence triennale des Leaders du Pacifique insulaire.
Appendix IV

ADDRESS

The Honorable Dominique Perben
Ministre des Départements et Territoires d'Outre-Mer

Messieurs les Chefs d'État et de Gouvernement, Messieurs les Ministres, Mesdames et Messieurs les représentants des organisations internationales et régionales, Monsieur le Président du Gouvernement du Territoire de la Polynésie et cher ami, Mesdames et Messieurs.

Au terme d'une visite dans les trois Territoires Français, de Nouvelle-Calédonie, de Wallis et Futuna et de Polynésie Française, c'est pour moi un grand plaisir de participer à cette Conférence Océanienne du PIDP.

Par ma présence à cette réunion, Monsieur le Président, je souhaite souligner l'importance que la France attache à la région du Pacifique, encore hériterai-je à parler de région tant le Pacifique est vaste. Je veux aussi réaffirmer après les bouleversements mondiaux de ces dernières années et les changements qu'a connus la France au cours des derniers mois, toute la place qu'occupe le Pacifique dans la politique étrangère de mon pays.

Depuis la dernière Conférence du PIDP, la scène mondiale s'est trouvée bouleversée par la fin de l'affrontement Est-Ouest. Il y avait là un risque que l'Océanie restait, dans une large mesure, en marge de cette rivalité, cessat soudain d'être un enjeu et qu'elle souffrit du désintérêt des principales puissances.
Je constate, avec plaisir, qu’il n’en a rien été, que l’attention et les efforts de la communauté internationale en faveur du développement des îles ne se relâchent pas. La France, pour sa part, voit au contraire dans l’écroulement du monde façonné par la guerre froide une occasion de mieux contribuer à résoudre les difficultés auxquelles le Pacifique se trouve confronté.

Le Pacifique bénéficie, à cet égard, d’un avantage fondamental. Les peuples qui l’habitent sont dotés d’institutions stables et librement choisies. Ils sont guidés par l’esprit de consensus. C’est là l’une des premières conditions de la paix, de la liberté et par conséquent du développement.

La France participe à celui du Pacifique en étant certes l’avocat du Tiers-Monde dans les grandes enceintes internationales.

Elle prend aussi sa part par ses financements et ses experts dans l’activité de la Commission du Pacifique Sud et de toutes les organisations régionales, y compris l’East-West Center et le PIDP.


La France œuvre ainsi dans maints domaines; j’en citerai quelques uns. Elle aide les États jeunes à affirmer leur souveraineté, à mieux maîtriser leurs ressources, en coopérant avec eux pour une meilleure surveillance de leur zone économique exclusive. La coopération qui la lie ainsi à plusieurs pays est en voie de formalisation par l’intermédiaire de l’Agence des Pêches du Forum du Pacifique Sud.

En association avec l’Australie et la Nouvelle-Zélande, dans le cadre de la déclaration signée à Wellington en décembre dernier, elle apporte son aide d’urgence aux îles victimes de catastrophes naturelles. A trois reprises cette année, elle a été aux côtés des populations frappées par les cyclones à Fidji, aux Iles Salomon et
au Vanuatu, grâce aux moyens permanents dont elle dispose en Nouvelle-Calédonie et en Polynésie.

Par ses Universités, au premier rang desquelles, l'Université Française du Pacifique, ses instituts de recherche et ses programmes de coopération, elle offre un potentiel d'éducation et de recherche adapté aux réalités de la région. Je veillerai personnellement à ce que l'Université Française du Pacifique, implantée à Nouméa et à Papeete, accroisse son ouverture sur la zone Pacifique, dont il a toujours été entendu qu'elle constitue une de ses tâches prioritaires.

La France met l'accent sur une question qui ne connaît pas de réponse isolée ou nationale, la protection de l'environnement. Au sommet de Rio, elle a œuvré pour l'adoption d'une convention à vocation mondiale sur les changements climatiques. C'est elle qui, en compagnie de l'Australie, a été à l'origine de la Convention sur l'Antarctique, signée à Madrid en 1991. Cette Convention a déclaré le continent blanc réserve naturelle, vouée à la science et à la paix.

C'est encore la France qui prône la création d'un sanctuaire pour les baleines dans les mers australes. Elle a naturellement pris sa place au sein d'un programme océanien pour l'environnement où elle a obtenu que les Territoires Français, s'agissant d'un sujet capital, jouissent d'une pleine et entière participation.

J'ai mentionné la dimension européenne de la politique étrangère française dans le Pacifique. Je voudrais maintenant insister sur sa dimension la plus spécifique, celle relative aux Territoires Français. L'action extérieure de la France dans la région est étroitement liée à sa présence en Nouvelle-Calédonie, en Polynésie Française, ainsi qu'à Wallis et Futuna. Mais cette action ne saurait être définie seulement à Paris par l'État. Elle est le résultat d'une relation de partenariat avec les collectivités territoriales françaises représentées ici et avec leurs dirigeants. Cette Conférence est un exemple éloquent de cette étroite coopération. Il ya donc complémentarité, solidarité entre les objectifs globaux poursuivis par l'État et ceux des Territoires dont l'intégration dans la région du Pacifique doit être encore intensifiée.

Cette évocation des Accords de Matignon m'amène à vous dire pour conclure mon propos, que le Gouvernement auquel j'appartiens, entend mener une politique active dans le Pacifique qui se fasse, certes, aux couleurs de la France, mais d'une France qui entend bien être aux couleurs du Pacifique.
Appendix V

LETTER

Warren Christopher
Secretary of State
United States

Sir Geoffrey Henry, K.B.E.
Prime Minister of the Cook Islands and
Chairman of the Pacific Islands Conference of Leaders

and

Gaston Flosse
President of French Polynesia and
Chairman of the 4th Pacific Islands Conference of Leaders

Dear Sir Geoffrey and President Flosse:

Through you, let me extend my personal greetings to the Fourth Pacific Islands Conference of Leaders. As a supporter of the East-West Center, the United States is committed to the development of the island states of the Pacific and actively encourages organizations like your own as fora for expanded dialogue among countries of the region so that we may all learn from our common experiences.

Your Conference occurs at a propitious time. Earlier this year, the island nations of the Pacific joined with the United States in establishing a Joint Commercial Commission to promote trade and
investment throughout the region. On June 15, a new era began with the extension of the South Pacific Fisheries Treaty, and, most recently, the U.S. joined with other nations of the South Pacific Commission in the signing of the South Pacific Regional Environmental Program Treaty. These agreements demonstrate in a concrete way the intention of the United States to remain vigorously engaged in the development of the area.

The theme of your meeting, "Sustainable Development and Population," is a subject that is of increasing importance to the U.S. Government. Health and family planning, private sector development, and the environment represent the three primary areas of U.S. assistance to the Pacific states, and, as your Conference theme indicates, this focus is shared by the nations present at this meeting.

I wish you a most successful Conference and hope that the ideas exchanged will promote new mechanisms that will serve the region in the years ahead.

Sincerely,

Warren Christopher
Appendix VI

LETTER

Patricio Aylwin Azocar
President of Chile
Santiago de Chile

16 de junio de 1993

Honorable
Sir Geoffrey Henry, KBE
Primer Ministro de Islas Cook
Presidente del Comité Preparatorio
de la Conferencia de Líderes de las
Islas del Pacífico

Excelentísimo señor Primer Ministro:

Me es grato acusar recibo de la invitación que Vuestra Excelencia
tuvo a bien enviarme el 13 de abril de 1993, con el fin de que un
miembro de mi Gobierno pudiese asistir como observador a la IV
Conferencia de Líderes de las Islas del Pacífico, la que se llevará a
efecto en Tahiti/Polinesia Francesa, entre los días 24 al 26 del pre-
sente mes.

Agradezco esta honrosa invitación que interpreto como un gesto
de noble y estrecha amistad. Reciba, Señor Ministro y, por su in-
termedio los Líderes de las Islas del Pacífico, mis mejores deseos y
votos para que el éxito corone esas deliberaciones. Valoramos los
esfuerzos de los países insulares y coincidimos con sus intereses para lograr un desarrollo acelerado.

Compartimos plenamente los objetivos que tienen esas reuniones trianuales, destinadas a establecer un marco regional que permita a los líderes de las naciones insulares, hacer frente en mejor forma a los desafíos necesarios para lograr un crecimiento sustentable en sus pueblos.

Es precisamente, dentro de este mismo espíritu, que se enmarca la Mesa Redonda Internacional sobre Desarrollo de Microempresas Agroindustriales y Pesqueras de las Islas del Pacífico Sur, preparada por diversos Ministerios de mi Gobierno con la cooperación de la Oficina Regional de la FAO para América Latina y el Caribe, la que se llevó a efecto en Isla de Pascua, entre los días 18 al 20 de mayo pasado, a la que fueron invitados los Ministros de Agricultura de los Estados insulares.

En esa oportunidad, se realizó una amplia presentación de los documentos preparados tanto por los funcionarios chilenos como internacionales. A continuación, se llevó a efecto un valioso intercambio de opiniones, destinado a analizar la realidad económica de los países insulares, lo que permitió, conforme a las exposiciones de los Ministros visitantes, efectuar una primera identificación de aquellas áreas prioritarias en las cuales podrá en el futuro establecerse una cooperación horizontal.

Una vez que las autoridades de los Gobiernos participantes remiten a mi país sus requerimientos específicos en forma estructurada, se podrá enviar a las Islas una Mision de Diagnóstico, en fecha de común acuerdo entre las partes. Esa Mesa Redonda significa un paso importante en el interés que anima a mi Gobierno en estrechar los vínculos, cada vez más significativos con los pueblos del Pacífico Sur, a través de una cooperación horizontal que permita materializar una mejor calidad de vida para los habitantes de esas naciones.

Por compromisos anteriormente adquiridos por parte de mi Gobierno, me es imposible enviar, como habría sido mi deseo, a un miembro de mi Gabinete para que me represente en esa reunión.
Sin embargo, dada la importancia que atribuyo a esa Conferencia, quedaría agradecido se a través del Embajador señor Octavio Errázuriz, quien participará en dicho evento en su calidad de Director Ejecutivo del CHILPEC y Observador del PECC, pudiera hacerme llegar las conclusiones que puedan lograrse en esa reunión.

Junto con reiterarle mis votos de éxito en esa Conferencia, aprovecho la oportunidad para hacer llegar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

Atentamente,

Patricio Aylwin Azocar
Appendix VII

STATEMENT

Ambassador Octavio Errazuriz
Observer for Chile and for the
Pacific Economic Cooperation Council (PECC)

Dear Mr. President:

On behalf of the Government of Chile and of the Pacific Economic Cooperation Council (PECC) allow me to congratulate you for your election as Chairman of the Fourth Pacific Islands Conference of Leaders. I am sure that under your able leadership the Conference will be a success.

I also want to congratulate all the Leaders of the Pacific islands for the work you are doing for the better understanding among the peoples of the region.

The government of Chile is convinced of the crucial importance of the theme of your Conference, “Sustainable Development and Population.” We share your objectives.

In that spirit, the government of Chile invited the Ministers of Agriculture of several island nations to attend a “Workshop on Micro Enterprises, Agro Industries and Fisheries Development in South Pacific.” The conference was held last May in Easter Island under the sponsorship of my government and the Food and Agriculture Organization (FAO).
In said occasion, a broad and rich exchange of views and opinions took place in order to identify the priority areas to make possible the establishment of a south-south cooperation program for the South Pacific island nations.

The workshop also stressed the importance of the relations between Chile and the Pacific island nations and the clear will of my government to cooperate in the development of the South Pacific island peoples. President Aylwin's letter to Sir Henry and my presence here are a tangible demonstration of that will.

The Pacific Economic Cooperation Council (PECC), a nongovernmental organization devoted to Pacific economic cooperation, sharing your interest and sense of urgency in relation to economic growth and development, wants to develop closer relations and enhance its cooperation with the Pacific island nations.

Basically, the present aim of PECC in this direction is to redesign the agenda of its Pacific island nations' task force, so as to make it more action oriented and set a goal of active engagement of the South Pacific Forum into having a more dynamic role in our organization.

PECC is convinced that the theme of this Fourth Pacific Islands Conference of Leaders as well as the resolutions and recommendations of your debates will be crucial in the process of reassessment of what is feasible for PECC in this area.

PECC due to its tripartite composition—government, business, and academic representation—and its pragmatic, anticipatory, and policy oriented character could offer a regional framework to discuss and exchange views regarding development goals, problems, and experiences.

To conclude, I must say on behalf of the government of Chile and of the Pacific Economic Cooperation Council that we thank you and the Tahitian people for your gracious hospitality and friendship.
Appendix VIII

REPORT TO THE FOURTH PACIFIC ISLANDS CONFERENCE OF LEADERS

The Honorable Sir Geoffrey A. Henry, KBE
Prime Minister of the Cook Islands
Chairman of the Standing Committee of the Pacific Islands Conference of Leaders

Introduction

The historic First Pacific Islands Conference was held in Honolulu in 1980. The 24 Leaders of the Pacific island countries, territories, and metropolitan governments who gathered then named six objectives for the Pacific Islands Development Program (PIDP). In brief, these were intended to:

- lead to self-sufficiency,
- meet basic needs,
- allow for control of national destinies,
- enable the members to speak with a united voice in international forums,
- promote national development, and
- enhance regional cooperation.

One cannot help but admire both the scope and the reach of those original beacons that have helped to guide the subsequent Con-
ferences in 1985 and 1990 as well as your Standing Committees and our permanent Secretariat at the East-West Center.

The Standing Committee, which concludes its term tomorrow, is composed of the Leaders of 11 member nations, states, and territories, exactly half of the total membership of this Conference. Since 1990 it has been my honor to chair that distinguished group, and it is my privilege today to report on our activities and on the work of the Secretariat since we met last on the Kona Coast of Hawai‘i.

Before describing the tasks undertaken and the goals achieved, I need to give you the financial foundation on which they stand, for these bare bone numbers define the constraints within which we worked as well as demonstrate an encouraging trend.

PIDP revenues in September 1991—18 months after the last Pacific Islands Conference—came to US$1,434,000. This was actually slightly below 1990, which was inflated by a one-off Asian Development Bank (ADB) study grant and, not incidentally, well served by larger country contributions than we have seen since. However, total revenues increased by 16 percent in 1992 to a new high of US$1,699,000 and have gained another 16 percent this year, probably to exceed US$2,100,000 by September.

Much of this growth is from U.S. federal grants to the East-West Center. These have more than compensated for a substantial decrease in country contributions. While it is warming to imagine that the funding sources in Washington, D.C., have taken a renewed interest in the needs of the Pacific islands, in fact we are indebted to the East-West Center’s Board of Governors and to our new friend and colleague President Michel Oksenberg who assumed his post just 18 months ago.

It was at their 1991 meeting in Bangkok when the Center’s Board resolved to strengthen PIDP, basing that decision on issues identified by the Pacific island Leaders. Granted this directive, Dr. Oksenberg told the 1992 Standing Committee that no activity at the East-West Center was more important than the Pacific Islands Development Program. He pledged to the Board his best effort to
increase the Center's work in the Pacific islands. It will be obvious to you, both from his recent record and his great personal sincerity, how fortunate we are to have Dr. Oksenberg's commitment.

However, even with such stalwart support, it will come as no surprise to this Conference when I add that this outstanding growth curve coincides with the term thus far of our Director, Dr. Sitiveni Halapua, who continues to be a quietly articulate and effective catalyst for the good. He has been wholly responsive to your Standing Committee's wishes while unafraid to speak his mind or to share his insights whenever appropriate.

Before my Chairmanship, all of the research positions—including that of the Director—were funded by country contributions. Instead of continuing to look outward for operating funds for which there was no certainty from year to year, we felt that we should first consolidate our financial position within the East-West Center. As a result, there has been a fundamental change. Now, the Director, the research staff, and the secretaries are all paid by the East-West Center, leaving the country contributions available for whatever projects and programs the Standing Committee wants PIDP to undertake within the region.

In saying as much, I hasten to acknowledge the contributions of countries other than the United States, especially Australia, Japan, and New Zealand who together made up 15 percent of the 1992 total. I am pleased to add that Australia and Japan have together contributed US$175,400 in 1993. While now only 7 percent of the total 1993 projected revenues, these amounts go far to enhance our flexibility and capacity for rapid response to regional needs. Grants by those countries make it clear that they recognize PIDP as a truly international entity that independently reports to us and takes its directions from us.

Another consistent and much valued contributor is the state of Hawai'i, which gains little directly for its citizens as a member but which indirectly earns our respect and gratitude for both steadfastness and generosity.

As for the declining or non-existent voluntary contributions of most member-countries, I will say more later when dealing with
the resolutions of the 1993 meeting of your Standing Committee. Suffice to say here that Fiji, Tuvalu, the Cook Islands, and Tonga were lonely contributors in 1992.

While speaking of Tonga, I would like to take the opportunity to mention the January 1992 resignation—due to the pressure of his numerous governmental responsibilities—of your long serving Secretary-General, Dr. Langi Kavaliku. His contribution to the substance and evolution of PIDP from its earliest inception is incalculable and very much appreciated.

Another sad retirement of a founder and long-time mentor of PIDP was that of the Honorable Ratu Sir Kamisese Mara who attended our January 1992 meeting and who received a statement of appreciation from the Standing Committee on behalf of the Conference and a standing ovation from all of his colleagues in an emotional evocation of their respect and gratitude.

Having acknowledged not just the vision of these Leaders but also the years of their dedicated commitment to giving PIDP life and relevance to the region, I am pleased to be able to describe the new heights to which PIDP is rising on the foundation that they built. I will do this under just three main topics: first, the traditional one of Economic Research; second, a newly energized and possibly well funded one of Human Resources; and, finally, the slow-to-be-born but much welcomed Joint Commercial Commission, still in its infancy but promising, nevertheless.

Research

The January 1993 Standing Committee meeting was, in fact, the twentieth of its kind, the third under my Chairmanship. I felt this year that we were blessed by an especially succinct, but nevertheless pithy, Director’s Report for the previous 12 months. Before highlighting it, let me take you back to 1990 when both Dr. Halapua and I had just assumed our respective responsibilities. At that time, we were naturally impressed by the wide ranging efforts of your Secretariat, an absolute plethora of projects, all of them in response to your needs and directives, all representing an honest effort to contribute to the original 1980 objectives.
We worried, though, that a continuation of that approach, however productive, might lead to a spreading of our limited resources over too many projects, rendering them less than effective. We felt that we should prioritize, further reducing the number of programs while still adhering to the views of the Conference Leaders. Such programming would also aid in project selection, especially those that were not only interactive with one another but also complementary to projects undertaken by the other regional organizations.

This programmatic and collaborative strategy was presented to the full Standing Committee in January 1991 and approved by them not, I might add, without debate that was as penetrating as it was helpful. In that discussion, it became clear that under the former mode of operation, PIDP was largely committed to specialists that were hired relevant to a particular project, persons who would leave once the project had expired. With a programmatic approach, more flexible staff members could be taken on for a greater duration, ones who could participate in our new interdisciplinary and multidisciplinary approach. The Standing Committee saw that this would up-grade the quality of the staff while providing greater continuity.

By 1992 the Director was able to report on just six main research programs. These were:

- privatization and commercialization;
- small business development;
- country economic assessment;
- aid, trade, and international investment;
- industry analysis; and
- macroeconomic environment.

The Director then called upon his researchers to present and defend their results. Again, I am reminded of the legacy of PIDP’s founders. This may well be the only forum in the world that consistently requires a direct interplay between the researchers and the national Leaders in order to ensure quality and relevance.
What of the research during the last three years? What of its content and quality? In 1990 the then Standing Committee received 20 research reports; in 1993, it was 12. We do not apologize for the reduction, and, in fact, we sometimes ask ourselves if we have been selective enough. In all probability, however, it is a good number within our limitations, even considering the level of excellence that was expected of the researchers.

In fact, should you scan through the up-dated catalogue of PIDP publications since its inception, you will note that in the period 1991-93, a total of 23 publications have been added, ranging from one of 12 pages to a full length book. Taken together, they total nearly 2,000 pages of carefully researched and written studies of critical economic issues, all resulting from specific member requests, all reviewed in progress by the Leaders, all within the program themes.

Here is a sampling of those titles: Regional Cooperation with Emphasis on the Private Sector; Private Sector Development, Policies and Programs for the Pacific Islands; Economic Security in Melanesia; Natural Resources, Environmental Accounting, and Sustainable Development in the Pacific Island Countries; Overview of Major Policy Issues Related to Privatization and Corporatization in the Pacific Islands; and Macroeconomic Environment for Private Sector Development. Beyond these are the dozen or so reports that are specific to member countries, Tonga, Fiji, Tuvalu, the Cook Islands, Vanuatu, and Papua New Guinea all being targeted beneficiaries at their special requests.

From January 1990 through March 1993, these have sold 4,577 copies, bringing in revenue to PIDP of US$25,365. In particular, such sales demonstrate that the utility of our work is not confined to the Pacific island governments. The number of publications sold shows that nongovernmental sectors such as regional and international agencies, universities, businesses, and students are all benefiting.

It was in 1992 and again in 1993 that the concept of sustainable development as a pursuit for PIDP was tabled, ultimately leading to the theme of this, the Fourth Pacific Islands Conference. Since
much of our time here will be devoted to that theme, I will pass over its evolution, except to say that economic, technical, environmental, and cultural viability have already become binding factors within the emerging programs. Thus, we hope and expect that the seeds of this gathering in Tahiti will not fall on rocky ground.

This then brings me full circle to that “pithy” Director’s Report to the 1993 Standing Committee. I have asked that it be circulated along with other materials to this Conference; but, in essence, it brings to a conclusion four of the six programs initiated in 1991 while holding two open, the latter offering support for new directions in sustainable development and population-relevant development should this Conference encourage the pursuit of those themes.

My colleagues and I on the Standing Committee view these results as a hearty meal and wish to extend our thanks to the researchers themselves who toiled with great care and who, although each a top-level, independently minded academic, willingly accepted topics that were selected by the Standing Committee to meet a specific and pragmatic need within the region.

Let me emphasize that within the mandate of PIDP, the implementation of these excellent projects is for the national governments to decide. However, at the meeting of the Standing Committee in January of this year, it was recommended that PIDP can assist any member-country in that implementation, subject to the availability of resources and expertise.

**Human Resources**

In the early 1970s, a small number of undergraduate and graduate students from the Pacific islands were funded by the Center. After the mid-1970s, the Center changed its policy and only graduate students were accepted, further reducing the opportunity for Pacific islanders. Recently, a World Bank study noted that education and training needs have become particularly acute in the South
Pacific. The study found that, as a result of insufficient human resources at all levels, most island governments are constrained in their ability to foster the production of goods and services, both vital to social, political, and economic development.

By 1990, at about the same time as that study, there was only US$75,000 a year available to the Center to assist three graduate students from our region. This level of the United States Information Agency (USIA) funding was repeated in 1991 and 1992 when Australia also assisted by way of funds for policy analysis of the need for this program. This was clearly a bleak situation—except, of course, for those several lucky students. By 1992, however, the chemistry began to change. President Oksenberg not only sought the advice of the Standing Committee but shared with the Committee his own judgment of worldwide trends. In redefining the role of the East-West Center to meet changing times, he projected a shift of scholarship awards from the more affluent to the less affluent nations. Moreover, he took the trouble to analyze the needs of the Pacific island nations, finding a far greater requirement for undergraduate work and for non-degree training than for graduate degree work, although the latter remained.

The Standing Committee welcomed the President’s education and training concepts. Subsequently, with the Committee’s encouragement, Dr. Oksenberg wrote to all Heads of Government in the region to inform them of this new initiative. This has led to a major redirection. The University of Hawai‘i has agreed to a much more flexible arrangement while substantial new funds are becoming available.

The Center has already allotted US$125,000 toward this recent initiative with three undergraduates now on campus and more scheduled for the 1993 fall term. These funds, however, are intended only to prime the pump. An additional US$400,000 can be utilized for these purposes in 1994—but only if the island nations show that they are fully responsive.

In part, this entails willing students applying with their government’s full support in close cooperation with PIDP. Even more to the point, only half of those funds are being offered by the Center;
the remaining, the matching half, must come from the region. That may seem like a great deal to you, but later I will show you where it can come from. The important question is do we want to work actively to take full advantage of this opportunity?

Personally, I believe that the region's response will be very good—once we get over the shock of being invited to the table of more educational opportunities.

Moreover, it is my sense that the human resources plan that Dr. Oksenberg proposes has the potential to grow even further; in other words, the Center will respond to our response. I believe, too, that if we rise to the Center's challenge, other donor sources will fatten the pool of scholarship funds available. I am reminded of the parable when only five loaves of bread and two fish fed the multitude, for more miraculously appeared.

**Joint Commercial Commission**

The Pacific island Leaders who met with former President George Bush at the East-West Center in October 1990, all welcomed his proposal for a Joint Commercial Commission (JCC) to promote increased cooperation in trade and investment with particular focus on stimulating the private sector. Next, this offer was taken under consideration by the Standing Committee at its January 1991 meeting when the U.S. Deputy Assistant Secretary of East-Asia and the Pacific was invited to participate.

The U.S. representative pointed out that the United States had only four such Joint Commercial Commissions with other countries in the world—one with the People's Republic of China—and that all were bilateral in nature. He indicated that a necessary first step would be a Memorandum of Understanding to set out the terms of reference of the JCC and its institutional structure and procedures.

The Standing Committee suggested the East-West Center as one excellent option for the proposed JCC, whatever form it might take. It was further recommended that the Pacific Islands Confer-
ence, the Pacific Islands Development Program Secretariat, and the Program Planning Committee be considered as the structural body for the JCC. We felt then—and now—that by this means there would come to be far wider participation in any JCC benefits than if it was limited to the 13 Forum island countries. That position was subsequently endorsed by the South Pacific Forum at its meeting in July 1991. In addition, the Forum appointed Mr. Jioji Kotobalavu as the Executive Secretary for the Pacific islands section of the JCC. The Forum confirmed our position that there would not be bilateral understandings on our side but rather a unified multilateral grouping of the Pacific island nations.

By January 1992 the concept had progressed through a series of communications among the island nations and through direct meetings in Washington with President Bush, Senator Inouye, and officials of the State Department. As a result, we were able to plan a formal JCC meeting and to hold it back to back with the Standing Committee's meeting, a scheduling nicety that has proven convenient and effective.

The first such meeting of Pacific island representatives on the question of the JCC gave even more substance to the concept. After reviewing the several options, the representatives confirmed the venue of the East-West Center and agreed that the proposed multilateral approach demanded a Secretariat in order to coordinate and communicate the diverse wishes of the island nations.

In order to assist in the development of a Memorandum of Understanding and to otherwise pursue implementation, the meeting requested that Mr. Kotobalavu also be appointed as a consultant to PIDP. Again, Dr. Oksenberg offered his full backing should the Leaders continue to choose PIDP for administrative support and as a venue.

By January of this year, the JCC Memorandum of Understanding had finally been drafted and redrafted to everyone's satisfaction and was formally signed by the governments of the Pacific island nations and by the United States. With the concurrence of this Fourth Pacific Islands Conference, the Commission can remain within PIDP as its third and newest division, a major activity
along with Research and Human Resource Development. If you choose to do that, it is envisioned that PIDP would provide not only administrative support but also much needed information, especially with regard to trade and investment opportunities both within the islands and within the United States for the island purposes.

For the present, there is much work to do just to give substance to the Memorandum of Understanding. The task, I believe, is achievable, for not only are the procedures and the structure in place, but, I am happy to report, the Clinton Administration appears fully supportive by all accounts.

The Future

I said that I would return to the matter of member-country contributions. My government knows as well as yours how difficult it is to deny some critical and immediate local budget item in favor of an overseas contribution with longer range implications. Nor does a contribution to PIDP offer the only such conflict. I face the identical situation as Chancellor of the University of the South Pacific (USP) when, again, I empathize with my colleagues, the Ministers of Finance.

Still when I am working with USP's budget or PIDP's, I am on side with the Vice Chancellor or with our Director. It is then that I get the urge to beg, plead, and cajole for your contributions, a lonely task. In this case, however, I am fortunate to have the support of the entire Standing Committee. This year we reviewed and acknowledged the attainment of the first phase of our strategy, the consolidation of our financial position within the East-West Center. We felt it timely to move on to the second phase, to seek the right balance between the member-countries and the Center.

As a result, your Standing Committee recommends that membership fees become mandatory and proposes the adoption of a very fair formula, which is before you. Its adoption would have several very beneficial effects: first, it would give extra certainty and
flexibility to the work programs of our Secretariat; second, it would demonstrate our commitment to the other donors and potential donors; and third, it would provide crucial matching toward the Center's Human Resources challenge grant.

There is another matter that comes under the category of adding certainty, validity, and permanence on behalf of our Pacific Islands Development Program and ourselves. As yet, we have never formalized a charter for PIDP's existence; there is no Memorandum of Understanding among ourselves and the East-West Center.

Is this necessary? Well, away from the United States—within the British Commonwealth, for example—there are numerous traditions and unwritten accords that seem to endure quite well. Indeed, this might also be described as the Pacific Way and, as such, is more than a little acceptable to me.

However, I am also conscious that none of PIDP's funding comes from London and, as yet, less than 10 percent comes from ourselves and our Pacific partners. At present, the bulk comes from Washington where, in fact, sweeping changes are occurring as a result of the end of the cold war. In other words, we are now in a new era when the whole basis for many international commitments has changed. For us, this should not be of great concern, for Pacific islanders are known for their adaptability. But, should adaptation become necessary, let us prepare ahead of time.

Against this background, it is worth reminding ourselves that the United States is a highly legalistic country, and its Congress is, by and large, made up of lawyers. Of course, our friends in Congress can live with tradition and the Pacific Way, but, in a crunch, they will welcome our help by way of documentation. What is PIDP? What do we expect from it? What, in fact, is our relationship to the East-West Center? What is its role? What is ours?

I ask you to consider the merits of a Memorandum of Understanding for PIDP purposes. At the beginning, we did not know what this baby was. Now, we not only have confidence, but we are prepared to invest more of our own funds into its future. Per-
haps, it is time to protect that investment, to safeguard it with greater accountability and answerability.

That concludes my report. I am grateful to you, the Pacific Islands Conference, for your trust during the last three years.

I wish to thank my colleagues on the Standing Committee for their support and patience during those years.

Thanks, too, to our Director, the researchers, and the entire Secretariat for their hard work and commitment to the region and, in particular, for the excellence of their preparation for this Conference.

Most especially, I am grateful today to the government of French Polynesia and to its President for hosting us and this Conference.

I am confident that the program during the coming three years will stand above our efforts just as ours stood on the broad shoulders of our predecessors. From a humble but highly visionary start in the 1980s, the Pacific Islands Development Program is emerging almost exponentially under your direction as a major regional institution that offers ever more tangible benefits to all of our people.
Appendix IX

REPORT ON THE US/PACIFIC ISLAND NATIONS JOINT COMMERCIAL COMMISSION (JCC)

The Honorable Sir Geoffrey A. Henry, KBE
Prime Minister of the Cook Islands
Chairman of the Standing Committee
of the Pacific Islands Conference of Leaders

1. I am pleased to report that the United States/Pacific Island Nations Joint Commercial Commission (US/PIN JCC), which former U.S. President George Bush proposed at his Summit Meeting with Pacific island Leaders at the East-West Center in Honolulu on 27 November 1990, is now formally established.

2. This was achieved through the signing of the Memorandum of Understanding for the JCC, also at the East-West Center, between the United States and the Forum island countries at a special ceremony held at the East-West Center on 12 January 1993. The Memorandum of Understanding (MOU) was formally signed by the United States and by eleven of the thirteen Forum island countries: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Republic of Marshall Islands, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Papua New Guinea subsequently signed the MOU on 26 January 1993, which leaves Western Samoa as the only remaining Forum island country to sign the MOU. It is, of course, for them to consider this at their convenience. For the twelve other Forum island countries the JCC MOU is effective for each of them from the date of their signature of the MOU.
3. From the very beginning, every effort was made to secure the approval from the United States for the inclusion in the JCC of non-Forum island county members of the Pacific Islands Conference of Leaders. The Leaders will recall, for example, this position having been conveyed to President Bush in letters from the Chairman of the Standing Committee. This, however, was not acceptable to the United States government, which expressed the strong preference for the JCC to be restricted only to Forum island countries. As a result, and as agreed by the South Pacific Forum, membership of the JCC on the Pacific island side is to be initially confined to the thirteen Forum island countries, but the way would be left open for other Pacific island nations to join the JCC by mutual agreement of both the United States and the Pacific island member countries. To underline this latter point, the words “Pacific island nations” rather than “Forum island countries” are being deliberately used in the title of the US/PIN JCC. In fact, at the joint meeting between the United States and the Forum island countries on 12 January 1993, immediately prior to the signing of the JCC MOU, the U.S. side clarified that it would have no objection to particular Pacific island territories being allowed into JCC meetings as observers. However, this is subject to prior consultation and agreement between the United States and the Forum island countries when the occasion rises.

Role and Functions of the JCC

4. The JCC MOU sets out the functions of the JCC. As far as the Pacific islands nations are concerned, the main focus of the JCC is the promotion of their trade and investment interests in the United States. Specifically, this includes the facilitation by the U.S. side of access for Pacific island exports to the U.S. market and also the enhancement of the competitiveness of Pacific island exports in the U.S. market. The United States will assist Pacific island nations in encouraging U.S. entrepreneurs to invest in Pacific island economies. The emphasis will be on the development of the private sector in individual Pacific island countries.

5. The fundamental utility of the JCC is that through its annual meetings and through its working groups, the JCC provides
a regular forum where Pacific island representatives from their governments and private sectors can meet directly with their U.S. counterparts to consult on the promotion of Pacific island trade and investment interests, both collectively and individually, in the United States.

6. This role of the JCC in providing an institutional arrangement for Pacific island nations in their economic relationships with the United States is important to note. Our experience through the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA) with Australia and New Zealand and through the Lomé Convention with the European Community has proven that it is when Pacific island countries enter into institutionalized arrangements with their trading and donor partners that they can effectively promote their trade, investment, and other economic interests.

7. However, the signing of the MOU is only the first step in the development of the JCC. At its meeting on 26–27 January 1993, the Standing Committee was very conscious that the MOU is largely a statement on the structure of the JCC and the rules of procedure for its meetings. It does not actually confer on the Pacific island nations special trade and investment measures of assistance by the United States as in the case of the U.S. Caribbean Initiative. In view of this, the Standing Committee adopted a resolution for reference to this Conference strongly recommending that the Pacific Islands Conference should request the South Pacific Forum to include in the Joint Declaration of Co-operation (JDC) that it intends to negotiate with the United States appropriate provisions for the United States to grant to Pacific island nations the same special trade and other support measures that the United States has given to the Caribbean island nations through its Caribbean Initiative.

**Coordination of Pacific Island Nations Participation in the JCC**

8. Following the Summit Meeting between former U.S. President George Bush and the Leaders of Pacific island nations in
November 1990, the South Pacific Forum appointed Mr. Jioji Kotobalavu of Fiji to assist the Director of PIDP as a Consultant on the formal establishment of the US/PIN JCC. The Forum also requested me in my capacity as the Chairman of the Pacific Islands Conference's Standing Committee to oversee the development of the JCC on behalf of the Forum island Leaders. Further, it was also agreed both in the Standing Committee and in the Forum that as an initial arrangement the PIDP Secretariat through its Director should manage and coordinate the participation of Pacific island nations in the JCC.

9. With the formal establishment of the US/PIN JCC in January 1993 with the signing of the JCC Memorandum of Understanding, Mr. Kotobalavu has completed his Forum-assigned mission. It has also been agreed among the Pacific island Leaders in the Standing Committee that the management and coordination of Pacific island participation in the JCC should now be invested permanently in the PIDP Secretariat under its Director, Dr. Sitiveni Halapua.

Follow-up Action

10. Since the Standing Committee meeting in January, the following action has been undertaken by the Director of PIDP.

a. A copy of the signed US/PIN JCC Memorandum of Understanding has been sent to the government of Western Samoa for its consideration. It is hoped that Western Samoa can sign the MOU during the Fourth Pacific Islands Conference of Leaders in Tahiti in June. However, this is a matter entirely for Western Samoa to decide. As indicated above, the JCC MOU individually applies to each Forum island country from the date of its signature of the MOU.

b. The important next step is for the convening of the first substantive US/PIN JCC meeting. The Director of PIDP has been in consultation with the U.S. authorities on this subject. Given that there is now a new
administration in the United States under President Bill Clinton and given indications of interest in the JCC by a number of leading U.S. Congressmen following discussion with officials in Washington, it was suggested that it would be to the advantage of Pacific island nations if this first substantive JCC meeting were to be held in Washington.

c. Within the PIDP Secretariat, the Director is in the process of appointing a Trade and Investment Economist to assist him on a full-time basis on JCC work. In addition, the Director is approaching a number of donor agencies like the Commonwealth Fund for Technical Cooperation (CFTC) for consultancy assistance on JCC program activities.

d. The Director of PIDP is also putting together a package of program support proposals for submission to the U.S. authorities for possible funding support. This will include the preparation of country-specific economic case studies for presentation through the JCC to promote the trade and investment interests of each Forum island country in the United States, the possibility of a fellowship scheme for the training attachment of Pacific island nationals in selected U.S. business enterprises, and possible funding support for attendance of Pacific island representatives at US/PIN JCC meetings and for the holding of JCC meetings and its working groups in Pacific island venues.

Acknowledgment

11. I am grateful to the Leaders of all Pacific island nations both in the South Pacific Forum and in the Pacific Islands Conference of Leaders, and also to the United States, including especially the State of Hawai‘i through Governor John Waihee and the East-West Center through its President, Dr. Michel Oksenberg, for their support in the development of the JCC. I firmly believe and am fully confident that it holds great promise and prospect for Pacific island nations.
12. I also wish to record my appreciation to the Director of PIDP, Dr. Sitiveni Halapua, and our JCC Consultant, Mr. Jioji Kotobalavu, for the great work they have done to progress the US/PIN JCC this far.
Appendix X

AUSTRALIAN COUNTRY STATEMENT: SUSTAINABLE DEVELOPMENT AND POPULATION

South Pacific and Training Branch
Australian International Development Assistance Bureau (AIDAB)

World population, now 5.3 billion, is expected to increase by another billion (1,000 million) people during the 1990s. In absolute terms the world’s population is not only growing faster than ever before: it is growing the fastest in the poorest parts of the world. Approximately 90 percent of the world’s population growth is occurring in the developing countries, which are the least equipped to meet the needs of their people and still invest in the future.

Population growth is a key factor affecting resource allocation and economic growth and development.

For many developing countries, rapid population growth reduces savings and investment and therefore economic growth. It strains the capacity of governments to provide even basic services such as water supply and sanitation, education, and health. Rapid population growth also has the potential to most adversely affect the lowest income groups. Population programs cannot succeed without efforts to raise the quality of life and equitably distribute the gains of development, in particular to women.

The outcome of the United Nations Conference on Environment and Development (UNCED) reflected the broad consensus that
population growth is contributing to worldwide environmental degradation. This was reaffirmed by the May 1993 Second Preparatory Meeting for the International Conference on Population and Development, which highlighted the need for sound economic development policies to ease population pressure and mitigate environmental damage.

Australia is conscious that major contributions to the improvement of maternal and child health, women's status and education, and access to family planning services are critical to reducing population pressures. The Australian government is now committed to increasing the priority given to health and population programs within its development cooperation program. In 1992–93 assistance to population activities is expected to increase by over 40 percent to about $A10 million.

We are also conscious, however, that slowing population growth is not a matter of attempting to "control" it. Coercion and pressure have no place in population programs. Australia's support for population programs is based on a firm commitment to the basic right of individuals to decide freely and responsibly the number and spacing of their children and to help promote informed choice and better services for the millions of people who currently do not enjoy this basic right.

Good family planning programs must inform and educate people about as wide a range as possible of family planning options and enable them to make not only a free, but also an informed choice about methods of contraception.

To do this, donor and recipient countries together need to address the critical need to expand the range of contraceptive options available through family planning programs and to improve the quantity and quality of information and counseling that such services provide.

**Australian Policy on Support for Population Activities**

The Australian government recognizes the fundamental inter-relationship between population growth, poverty, environmental impact, and sustainable development.
Australia's position on international population issues is consistent with the major international statements on population: the World Population Plan of Action (1974), the Mexico City Declaration (1984), and the Amsterdam Declaration (1989). The major points covered by the Plan of Action and the Declaration are:

- a recognition of the right of individuals to choose the number of children they have,
- the need to balance this right against the interest of society in maintaining population growth within manageable or sustainable levels,
- the right to have the information, education, and means to decide the number and spacing of children,
- the need to take an integrated approach to population problems, and
- a statement that abortion is not a preferred method of family planning.

Australia's current policy is consistent with Agenda 21, which was adopted at UNCED and recommends that population and environment concerns should be addressed in the context of wider development issues such as poverty alleviation, quality of life, good health, and an improvement in the status and income of women.

Australia is a signatory to the World Declaration on the Survival, Protection and Development of Children, which calls for greater priority for children in development assistance, particularly in the key areas of health, water supply, and education. The enormous benefits to be gained from the investment in education, especially for women and girls, and the clear relationship between low fertility and educational attainment will receive greater recognition in future assistance.

In the area of family planning assistance, Australian programs are guided by a quality of care approach based on the following elements:
• choice of method of contraception to suit individual needs based on informed choice,
• adequate information and counseling services, and
• improvement of the technical competence of family planning service providers.

**Population Issues in the Pacific Region**

Despite small populations, birth rates are high, and access to family planning services is low in many Pacific island countries. Population growth rates average 2.2 percent across the region; while in Solomon Islands, a rate of 3.5 percent makes it one of the highest in the world. Overall population growth rate projections for the Pacific region from 1980–2000 are second only to Africa and well above the world average. Such rapid population growth rates cannot be sustained in the long term particularly given the region’s slow economic growth and fragile resource base.

Population issues such as migration and urbanization are also development challenges that require strategic planning and sound policies.

If unchecked, current rates of population growth will have serious implications for long-term economic growth and the achievement of sustainable development within the Pacific region. The Pacific 2010 project estimates that even the lowest growth projections for Papua New Guinea yield a total population of 5.2 million by the year 2010. Projection scenarios for Tonga, Solomon Islands, Fiji, Papua New Guinea, and Western Samoa all show increasing numbers to the year 2010, and notwithstanding the different scale of population issues in the South Pacific, the overall rate of population growth is relatively high. The implications of demographic projections 20 years from now are particularly worrying for the Melanesian countries, reflecting declining mortality but very high fertility rates. In Solomon Islands, for example, population projections to the year 2011 by the Pacific 2010 project indicate that at constant rates of fertility and mortality the total population will double between 1991 and 2011.
Without an improvement in economic growth, the increase in school age population will place a heavy burden in most Pacific island countries on the financing of education, and without an expansion of employment opportunities, the levels of unemployment will rise sharply. In addition, government services in the health and welfare sectors will be severely strained as they are further stretched to meet increasing demand. Similar pressures will be placed on the fragile environment and natural resources of many Pacific island countries.

A key issue in development planning in the Pacific region is the integration of population factors into the national development planning process. In particular, population programs need to be addressed in the context of wider development issues such as economic growth rates, population mobility, poverty alleviation, the environment, health, and improvement in the status of women.

The commitment of Pacific island governments to developing and implementing appropriate policies and programs remains a key factor in determining the success of such programs within the region.

At the regional level, there is a growing recognition of the critical interface between population growth, sustainable development, and the environment. Both the Forum Secretariat and the South Pacific Commission have placed population concerns on the development agenda and are actively considering ways in which these can be incorporated into national development planning and policy. It is significant that this Fourth Pacific Islands Conference of Leaders has a population theme, which gave further focus to the population issue in a premier regional forum. The Ministerial Meeting on "Population and Sustainable Development," which will be held in Vanuatu in August 1993, is expected to give further emphasis and definition to regional population issues at a ministerial level.

Australia will continue to support moves to draw attention to the pressing need to mainstream population programs at the national level. We will also continue support for appropriate aid projects
and programs and through policy dialogue with the Pacific island countries, taking into account absorptive capacity problems in some countries.

**Australian Population Activities in the Pacific Region**

The South Pacific region will be a focus of Australian support for population/family planning activities in the future. Emphasis will be given to using Australian aid to improve the accessibility and quality of family planning services and to better integrating family planning with initiatives in the areas of health, women in development, education, environment, and poverty alleviation. The close relationship between family planning and health is already recognized in the Australian International Development Assistance Bureau's (AIDAB) health sector strategy, which has Women And Their Children's Health (WATCH) as its central theme. Maternal and child health activities should include family planning as an essential component.

In recognition of the critical role population factors play in the achievement of economic growth and sustainable development, Australia is currently supporting a number of key population initiatives in the South Pacific. These reflect our strong commitment to the development of effective population strategies and programs within the region. They include support for the following initiatives:

- **Project Excel.** This A$3.6 million regional family health program is aimed at improving contraceptive services and preventing the spread of AIDS and other sexually transmitted diseases. Project Excel will be implemented by the South Pacific Alliance for Family Health (SPAFH), a Tonga based indigenous regional institution, and will work through the public and private sectors to improve health education and family planning services at the village level.

- **Pacific 2010 Project.** This project is being implemented by the National Center of Development Studies
(NCDS) at the Australian National University (ANU). It will complement the work of Project Excel by researching and producing demographic projections for the major island states of the Pacific to the year 2010. It will seek to identify problems likely to emerge as a direct result of population growth across a range of economic and social sectors. The provision of such information will provide an important framework for the interpretation, planning, and management of population trends within the region as well as a tool for Pacific island governments to help develop informed long-term population policies and strategies. AIDAB's financial contribution to this project, which is presently estimated at A$250,000, will also assist in informing our future aid policies and strategies.

- **World Conference on Population and Development.** A commitment of A$140,000 has been made to the United Nations Population Fund (UNFPA) Trust Fund to enable Pacific island countries to prepare for and attend the International Conference on Population and Development, which will be held in Cairo in 1994.

- **PNG Population Project.** A A$15.2 million contribution to a joint World Bank/Asian Development Bank/AIDAB five-year project is designed to enhance the capacity of the Papua New Guinea Health and Family Planning Services to bring the Papua New Guinea rate of population growth into balance with the government's capacity to provide social services and promote economic growth.

In addition to these programs, AIDAB supports a number of related programs in the reproductive health sector with a focus on the prevention of the spread of AIDS and sexually transmitted diseases. These include:

- **South Pacific Commission (SPC) AIDS/STD Prevention Project.** This project, which provides funding totaling A$250,000, aims to provide information, materials, and technical training in the areas of
HIV/AIDS education to specific target groups that will be responsible for implementing HIV/AIDS education activities among the island communities. The project is being implemented in collaboration with the World Health Organization (WHO) Global Program on HIV/AIDS.

- Funding is provided for the coordination and identification of HIV/AIDS activities within the region. The main focus of this program has been on identifying ways in which Australia based nongovernmental organizations (NGOs) can assist and work in collaboration with Pacific based NGOs in the delivery of HIV/AIDS prevention programs. The total costs involved are estimated at A$230,000.
Appendix XI

CHINA AND THE PACIFIC ISLANDS

H. E. Hua Junduo
Representative of the Government of the People's Republic of China

Mr. President, your excellencies, ladies, and gentlemen.

It is my great honor to attend the Fourth Pacific Islands Conference of Leaders as the representative of the government of the People's Republic of China. I would like to take this opportunity to express my sincere thanks to the Conference for its kind invitation to me. The decision made by the Chinese government to send a representative to this Conference shows the great importance that the Chinese government attaches to the Pacific Islands Conference of Leaders and manifests the desire on the part of the Chinese government to further develop good relations with the Pacific islands. I believe that the meetings and discussions we have will improve our mutual understanding and future cooperation.

At present the Asia-Pacific region, of which the Pacific islands are an important part, is characterized by political stability and fast economic development as compared with other regions of the world. The Pacific islands and China are all neighbors in the Pacific. There is no clash of interests between us. All we have are good opportunities for friendly exchanges and economic cooperation. We sincerely hope that the Pacific islands will continue to enjoy peace and further develop and prosper and that China will live in harmony and cooperate with them on the basis of equality and mutual benefit.
Recent years have seen quite some progress in the relations of friendship and cooperation between China and Pacific island countries. We have diplomatic relations at the ambassadorial level with seven South Pacific island nations, i.e., Fiji, Western Samoa, Papua New Guinea, Kiribati, Vanuatu, Micronesia, and Marshall Islands. China's friendly exchanges and economic cooperation with some other islands have also been on the increase. The Chinese government attaches great importance to the friendly and cooperative relations with the Pacific islands. It will join the efforts of the Pacific island nations that have diplomatic relations with China to further develop good relations between them. And it is also ready to establish and develop ties with those without diplomatic relations with China on the basis of the Five Principles for Peaceful Co-existence.

As an Asia-Pacific nation, China has paid close attention to the stability and development of the Pacific region. It supports the Pacific island nations for their just stand to safeguard their sovereignty and territorial integrity. It supports the Pacific islands for their efforts to develop the economy, protect the resources, and improve the ecological environment. It has also been seeking to increase the economic and trade relations with them. Although China remains a developing country, it has tried to the best of its capacity to provide some Pacific island countries with aid programs through both bilateral and multilateral channels. The interest-free loans and grants given by the Chinese government over the years have amounted to 383 million yuan (Chinese currency), equivalent to more than 60 million U.S. dollars, and they have been spent on 35 projects in various Pacific islands. Since 1992 China has provided 3 million yuan, equivalent to one-half million U.S. dollars to join the United Nations Development Programme (UNDP) in the Technical Cooperation among Developing Countries (TCDC) program. In 1993 China made its donation for the Foundation for the Peoples of the South Pacific at the UN Economic and Social Commission for Asia and the Pacific.

We have also tried to share our experience with some Pacific islands in the areas of economic development, environment protection, and population control. At the same time, China has paid much attention to problems existing in the Pacific island countries
such as ecological fragility, small area, limited resources, geographical scatteredness, and distant markets. And it has been giving its support to the Pacific island countries for their reasonable positions in the discussion and consultations conducted by the United Nations. We are strongly in favor of the Pacific island countries to solve the above-mentioned problems through international economic cooperation. We hope that various countries in the world and international organizations will lend a more attentive ear to the appeals of the islands and provide more technical advice, personnel training, and other forms of technical assistance.

In summary, China is firmly committed to supporting the Pacific islands for their efforts to protect their legitimate rights and interests and to develop their economies. China has a sincere desire to seek friendly and cooperative ties with all the Pacific islands. We look forward to a more constructive relationship of mutual benefit and cooperation with them, which we believe will bring more benefit to all our peoples.
Appendix XII

NEW CALEDONIA: SUMMARY OF CONCLUSIONS OF THE FOURTH MEETING OF THE MATIGNON ACCORDS MONITORING COMMITTEE

"1992 Progress Report"
2-4 February 1993

The Monitoring Committee met for the fourth time, to draw up the 1992 progress report on the implementation of the Matignon Accords, under the chairmanship of Mr. Louis Le Pensec, Minister for the French Overseas Departments and Territories.

The delegations were led, respectively, by Mr. Jacques Lafleur, Deputy for New Caledonia, and Mr. Paul Neaoutyne, President of the Socialist Kanak National Liberation Front (FLNKS).

The President of the Republic, Mr. Francois Mitterand, and the Prime Minister, Mr. Pierre Beregovoy, received the participants of 4 February.

The three partners in the Matignon Accords reached the following conclusions regarding a number of questions:

1. *Mid-period Progress Report on the Matignon Accords*

The delegations forming the committee considered that much headway had been made to date and that the situation in general, midway through the period prescribed by the Accords, was positive.
They believed that New Caledonia must continue along the lines laid down by the Accords of 26 June 1988 in order to ensure the political, economic, and social context that was needed if the peoples of the territory were to make an informed decision regarding their future.

Regarding the remaining ground to be covered, the two partners in the territory of New Caledonia together with the state should continue working concurrently toward a new and more even balance.

Mr. Neaoutyne stressed the importance of the transformations that had yet to be effected and said that the FLNKS delegation hoped that discussions between the partners could start forthwith on the option that would be brought about by the referendum provided for by the Referendum Act.

The President of the FLNKS said how much the progress achieved so far owed to the personal commitment, tragically cut short, of Jean-Marie Tjibaou and Yeiwene Yeiwene and to that of Mr. Michel Rocard and Mr. Jacques Lafleur.

Mr. Lafleur observed that a miracle had been achieved with the signing of the Accords that had thus put an end to the risk of fatal confrontation that so many peoples in the world, even in Europe, were unable to avoid. He welcomed the progress made, pointing out that he had made his own contribution to this achievement by his sale of the South Pacific mining company (SMSP): a concrete form of sharing that had made possible the economic development to which the Accords aspired. He stressed the need to maintain a spirit of mutual understanding, among other things, in reflecting on the future institutions that were to be chosen for the period following the present.

2. The Institutions

The delegations noted that the institutions resulting from the Referendum Act were now functioning as intended.
However, attention was drawn to several difficulties:

- The North Province and the Islands Province were still experiencing problems in recruiting people for their public service.

- The Communes, regarded as an essential link in establishing a new balance, did not yet have at their disposal sufficient means, either human or financial, to attain those objectives.

It was noted that the Communes should recover their competency in matters of town-planning, by delegation from the provinces, provided that such procedure did not lead to any modification of the Referendum Act; also the creation in favor of the Communes of the “FIP-Equipment” (Inter-commune Equalization Fund: Equipment), established by a bill voted during the previous sitting, could be meaningful only if the “FIP-Equipment” were sufficiently funded by the state and territory. The state, for its part, would allocate 15 million FF to the fund in 1993.

- While not contesting the sharing of powers, the observation was made that decentralization must not be allowed to obscure the interests of the territory as a whole and that greater convergence should be sought between provincial and territorial actions; this could be ensured by better representation of the provinces’ interests in the bodies that deal with the territory’s development.

The FLNKS delegation stated that it still disagreed with the modifications to the text of the Matignon Accords that had been introduced by the Referendum Act regarding definition of the restricted electorate and that it intended to pay careful attention to the manner in which the register of voters was prepared for 1998, which so far it did not consider entirely satisfactory, and also to the control of immigration.
3. Training and Education

It was recognized that, all things considered, much had been accomplished in this area of key importance to the success of the Matignon Accords, but the continuing rate of school failure, concerning as it did especially the most underprivileged of the territory, meant that there must be no lessening of efforts to find ways of matching education more closely to needs and no pause in the school-building program.

In this connection, it was noted that the state had commitments, both as regards lycées (senior high schools), which were entirely its responsibility and in respect of which there were some delays in executing its undertakings, and as regards colleges (junior high schools); in respect of the latter the delegations considered that the grants made by the state to the provinces, by virtue of Article 36 of the Referendum Act, were insufficient to meet needs.

For the lycées, the state agreed to make an additional sum of 15 million FF available in 1993. Regarding junior high schools, in view of the ambiguousness of Article 36, the minister proposed that a complementary financing system be evolved, as from the present year, on the basis of a program and with a three-year period of contractual co-financing distinct from the development contracts.

The success of the “400 Managers” training program was undeniable, the delegations observed, considering that 166 trainees had already been recruited under the program and that 63 trainees of managerial level had come back to the territory after completing their training. However, bearing in mind the relative drying up of the source of candidates and the need to improve trainees’ subsequent integration into the workforce, it was decided also to encourage the training of middle-grade personnel for the private sector and to open the program to training for teaching careers, in cooperation with the University Institute for Training Primary Teachers (IUFM).

Contacts between the people responsible for the program and heads of undertakings would be intensified in order to improve
the trainees' professional integration upon return from their training period abroad.

Expressed in more general terms, Mr. Léopold Joredie said the fundamental question was, "what kind of men for what kind of country?" With this in view, it was decided that an exercise should be undertaken to ascertain what jobs could be available in various sectors of the economy for young Caledonians in the coming years.

Concerning basic training, a subject to which a special working session at the Ministry of Education was devoted, the delegations—noting the positive developments that had been achieved in relation to the school enrollment rate, innovations in educational methods and structures, and more widespread teaching of Melanesian languages—urged nonetheless that such efforts be conscientiously pursued in order to make the school system correspond more closely to needs and more in tune with the South Pacific in general, which in turn meant facilitating recognition of the equivalence of different countries' training and diplomas.

4. Economic Development and the Establishment of a More Even Balance

Mr. Joredié pointed out that the Matignon Accords had opted for the creation of a development pole to be situated in the Népoui zone, in order to give a structure to the new balance in the territory's economy. The minister confirmed that the state would make a financial contribution to the construction of this pole, in accordance with Article 85 of the Referendum Act; however, the form of such participation, which might for instance be that of an additional clause to the development contract with the North Province, could not yet be defined because the international group that had been instructed to carry out the design engineering and feasibility studies had not yet submitted them. It was confirmed that association with the European Economic Community (EEC) meant that goods that had been sufficiently processed in a French Overseas Territory from raw materials coming from a third country would be allowed to enter Europe, which
might encourage New Zealand or Australian investments in the new zone.

The Rassemblement pour la Calédonie dans la République (RPCR) delegation pointed out that, as the head of delegation had observed in his introductory statement, the sale of SMSP to the North Province had been a major contribution to the establishment of the new balance in that it had enabled that community to gain a foothold in a fundamental sector of the economy and to make available funds from the trading results of the enterprise to help promote economic diversification.

The delegations proceeded to consider the prospects for economic development in certain sectors and expressed the hope that the state would continue to lend its assistance especially as regards seeking investors.

- In connection with tourism, the importance of air transportation was noted and the delegations stated that they were strongly in favor of diversifying the airlines serving the territory, lowering the cost of such service, and, regarding Air France, finding supplies locally for in-flight service. The need for a new allocation of activities between Air France and Air Caledonia International was stressed.

- In view of the importance of land tenure as a basis for development, the delegations expressed the wish that the pas géométriques or maritime zone, which was part of the state domain, be transferred to other forms of public domain. The minister commented that the state would not be opposed to the idea provided precautions were taken, which might be drawn from the law regarding maritime public domain, to ensure that those fragile areas were not misused.

- The delegations agreed on the need to continue land tenure reform and study of the status of lands.

- A policy of reforestation of the territory was to be defined, calling for the commitment of all concerned having regard to its importance for the economy and for protection of the environment.
The delegations advocated closer cooperation between the state and local authorities regarding development of the mining sector.

The delegations were of the opinion that the obligations of the second generation of development contracts must be applied with determination. In this connection, the state undertook that throughout the 1993 budgetary year the grant made under chapter 68-93 (miscellaneous actions in favor of New Caledonia) would be protected against any budgetary freeze or regulation, as would the grants for the development contracts and the town-contract for which there was provision in the budgets of the technical ministries concerned.

5. Employment and Solidarity

The delegations agreed on the need to develop and protect employment. They considered it essential to observe migratory flows more closely in order to control them, given the economic, social, and political risks that excessive immigration would entail for the territory.

It was pointed out that the existing legislation concerning foreigners' residence made it possible to exercise control over immigration of persons not having French nationality and that the new provisions of the decision regarding association of the French Overseas Territories with the EEC authorized protection of local labor in sectors that were threatened and in respect of certain occupations, and included protection against work being taken by persons coming from metropolitan France or from other French Overseas Departments or Territories, provided no distinction was made between nationals of member countries of the European Community.

It was decided that the provinces' authorities would be associated with putting into practice immigration control, an area for which, according to the provisions of the Referendum Act, the state was responsible.
Following discussion of the problem of low wages, which itself created problems of exclusion, especially in respect of housing, it was recognized that this situation could be properly understood only if considered in the global perspective.

It was therefore decided to set up a working group on incomes, comprising representatives of the three partners and experts.

The group was to study the prospects for growth of incomes of all kinds having regard to economic development and solidarity.

It was noted that political agreement having been reached on the principle of generalized social cover, the relevant implementing legislation must be prepared as soon as possible for submission to the Congress for adoption in 1993.

Study of taxation questions would continue in 1993, on the basis inter alia of the working document setting forth the problem that had been forwarded by the government delegate.

Mr. Parawi-Reybas stressed the continuing difficulties encountered by Melanesians who maintain their special legal status (Art. 75 of the Constitution) particularly regarding questions of filiation, inheritance, and certain aspects of women's rights, and it was decided accordingly that a working group should be formed comprising the partners in the Accords, representatives of the provinces' authorities, representatives of custom appointed by the Advisory Council on Custom and Lawyers in order to study the possibility of adapting custom law in these areas.

6. Regional Relations

The minister observed that, in accordance with the principle declared during the signing of the Matignon Accords, the past four years had witnessed the development of ever closer relations between the territory and the countries of the region.

The delegations welcomed the various measures promoting cooperation that had been carried out by the elected representatives
of the provinces and of the territory, in concordance with the representa­tive of the state in the territory, thus forming as it were a "Caledonian diplomacy."

Regarding regional cooperation in cultural matters, attention was drawn to the need for the French University of the Pacific (UFP) to be more involved in regional cooperation and to the wish expressed by the elected representatives to be more closely associated with such policy; furthermore, it should be conducted, in respect of matters concerning New Caledonia, from the Noumea University Centre and not centralized in Papeete. In association with the University of the South Pacific (USP) at Suva, the UFP should be open to students from Melanesian countries.

Cooperation should be taken further also in the field of research in human sciences, for example, research into land tenure systems.

7. Cultural Matters

The FLNKS delegation wished to express its satisfaction at the particularly important implications of the state's decision to finance the architectural project selected for the Jean-Marie Tjibaou Cultural Centre, provided for in the Matignon Accords and chosen to be one of the major works of the President of the Republic. The delegation hoped that there would be no delay in implementing the project and that sufficient funding for its operation would become available so that the Centre could fulfill what it set out to do.

The delegation stated also that research on Kanak culture should be pursued by the Agence de Développement de la Culture Kanak (ADKC), the University, and l'Office de la Recherche Scientifique et Technique Outre-Mer (ORSTOM) working together.

Referring to television information, the delegations stressed the importance of greater coverage of news and current events pertaining to the territory and relating in particular to Kanak culture (in collaboration with ADKC) and of increased recruitment and training of journalists and staff of local origin.
The delegations also stated that the cost of local radio stations' broadcasting seemed to them too high. The need to protect local artists' copyright was stressed.

The proposal by the Minister for Overseas Departments and Territories that an intermediate follow-up arrangement be sought for the period between annual meetings of the Monitoring Committee, for instance, by holding a smaller meeting of the three partners in Noumea in the course of the year met with agreement.

**Annex to the Summary of Conclusions of the Monitoring Committee Meeting Held in February 1993**

At the request of the territory, the state granted a cash advance of 71.5 million FF (1.3 milliard CFP francs) for the year 1993.

Furthermore, the state observed that negotiations were to be opened with a view to solving the problem posed by the nickel protocol.
I deem it a great honor to address this distinguished assembly of Leaders that determine the affairs of the South Pacific, and I find it a distinct pleasure to see so many of our island people at the Conference immersed in the Pacific Way of problem resolution—sharing ideas and exchanging solutions.

I want to thank our gracious host, the Honorable Gaston Flosse, President of French Polynesia, for this opportunity to convey my thoughts on America’s vital relationship with its friends and allies in the region, the island nations of the South Pacific.

With the changing of the guard in the White House, I know many of you are wondering what to expect from the Clinton Administration, especially as regards the crucial issues affecting our region today. As a member of the U.S. Congress, although I speak from the legislative branch, certainly my vantage point has allowed me to participate in and gain insight on the formulation of U.S. foreign policy toward the South Pacific. I would like to share with you briefly some of these insights.

Since the South Pacific Summit Meeting with former President George Bush in 1990, a subject of great discussion in the region has
been the Joint Commercial Commission (JCC). I applaud the Bush
Administration for expediting finalization of the JCC Memoran­
dum of Understanding before leaving office early this year. Cer­
tainly this act—accomplished in the waning, precious moments of
the outgoing Bush Administration—demonstrates that the United
States is committed to expanding commercial relations with the
South Pacific and that the JCC initiative constitutes a major cor­
nerstone of U.S. foreign policy toward the region.

After recent meetings in Washington with Commerce and State
Department officials entrusted with implementing the JCC, let me
assure you that the Clinton Administration does not intend to
drop the ball. To the contrary, I feel that the new administration
will assiduously do its best to implement the mandate of the
JCC—promotion and development of mutually beneficial com­
mercial and economic ties between and among the Pacific island
nations and the United States.

In particular, I understand that the lead agency on the JCC—the
Commerce Department with my good friend Secretary Ron
Brown at the helm—is very positive and upbeat about pursuing
the initiative. Governor John Waihee of Hawai‘i and I shall make
sure that the JCC is not put on the back burner.

In terms of what to expect in the near future, the inaugural meet­
ing of the JCC shall most likely take place this fall, probably in
October. Although Honolulu has been suggested as a possible
site, I would support holding the initial JCC meeting in Washing­
ton, D.C., for several reasons.

First, this venue would ensure that a wide range of U.S. agencies
and departments involved with trade and investment issues
would be given the opportunity to participate. Second, and just as
important, the central location would facilitate broad-based par­
ticipation by the U.S. private sector; many American corporations
maintain offices in the capital. Last, holding the event in Wash­
ington guarantees national and international media attention and
exposure. In addition to inviting Secretary Brown’s participation,
perhaps President William J. Clinton could even be persuaded to
fit the matter into his busy schedule.
As to the agenda of the first JCC meeting, I would urge our Pacific island Leaders to prepare in-depth, both independently and collectively, the trade and economic items your governments wish considered. The JCC agenda is expected to be reviewed with U.S. authorities in August in Nauru, although not as an official item of discussion during the South Pacific Forum meetings.

In addition to the JCC, the United States has also initiated economic investment missions in the South Pacific through the Overseas Private Investment Corporation (OPIC). Several of these OPIC missions, such as those to the Federated States of Micronesia, Fiji, and Papua New Guinea, have proven very fruitful. The successful ties established between U.S. companies and island business interests from these OPIC missions warrant that the initiative be supported and expanded.

If we in the South Pacific prepare well for the JCC and other economic initiatives, I believe that the United States will do its part to facilitate the enhancement of commercial, trade, and investment links between the private sectors of the island nations and the United States. Certainly, these initiatives cannot but help assist the South Pacific nations to catch the booming economic wave that is cascading across the Asia-Pacific region.

Another important issue facing the South Pacific is whether the United States shall accede to the protocols of the Treaty of Rarotonga, thereby joining the South Pacific Nuclear Free Zone (SPNFZ).

Last Thursday on the floor of Congress, I urged my colleagues in the House of Representatives to support House Concurrent Resolution 111, a measure I introduced recently that urges the Clinton Administration to sign and ratify the protocols of the Treaty of Rarotonga. Joining in support of the SPNFZ measure as original co-sponsors were several members of Congress, including a number of influential Chairmen of House Foreign Affairs and Armed Services Committees, as well as the Chair and Officers of the respected Arms Control and Foreign Policy Caucus. Representatives that are leading the fight in the House against resumption of the U.S. Nuclear Testing Program have also joined our battle.
As people of the Pacific, we all know from the firsthand experience of our brethren the horrors of nuclear testing. As an American, I am not proud of the legacy of the United States testing program of the 1940s and 1950s on Bikini and Rongelap atolls in the Marshall Islands. Even now, decades later, that bitter legacy is still being felt in the Marshall Islands. People there have not forgotten memories of the offspring of Pacific island women infected by radiation fallout—where babies were born dead that did not look human and were termed “jelly babies.”

Along with H.Con.Res.111, House Foreign Affairs Committee, Chairman Lee Hamilton, myself, and other senior members of the Foreign Affairs Committee have written to Secretary Christopher at the State Department and Department of Defense Secretary Aspin, requesting that a serious review of U.S. policy on the South Pacific Nuclear Free Zone be conducted. The joint letters strongly recommended that the United States sign onto the nuclear free zone protocols.

In urging the Clinton Administration to accede to the Treaty of Rarotonga, we have argued that France, Russia, China, and the entire world is looking to the United States for leadership on nuclear nonproliferation and testing issues. With continuation of international nuclear testing moratoria hinging on U.S. action, it is time that the United States step forward to answer the call for a world no longer held hostage to the threat of nuclear devastation.

Joining the South Pacific Nuclear Free Zone Treaty would be a giant step forward for the United States, the island nations of the South Pacific, and the world community. Such action would add vital momentum to the global movement toward denuclearization and enhance United States leadership to extend the nuclear nonproliferation treaty and negotiation of a comprehensive nuclear test ban.

With strong opposition mounting in both houses of Congress to resumption of U.S. nuclear testing, the Clinton Administration is expected to announce shortly its position. I am heartened and optimistic that President Clinton—a good man in my opinion—shall make the right decision. Also, I am hopeful that our efforts urging
U.S. accession to the Treaty of Rarotonga will serve to influence, in part, the President's momentous decision on these nuclear issues.

Last week, as many of you know, the agreement establishing the South Pacific Regional Environment Programme, or SPREP, was signed by the parties involved in Apia, Western Samoa. The United States signed the SPREP agreement along with France and several of the Pacific island nations. I want to express my serious concerns with the manner in which the U.S. Pacific territories of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau were treated by the Department of State.

It is my understanding that France and all other member nations of the SPREP agreement were willing to allow the French territories and U.S. Pacific territories to participate fully in the implementation of the provisions of the agreement and that it was the State Department officials who objected vehemently to the proposal.

It is my belief that the U.S. territories should have had a full vote at the SPREP negotiations, and precedent has been established for such voting privileges with the South Pacific Commission, or SPC. In this organization, the territories have full voting privileges along with the United States, Great Britain, and France.

By way of another example, I wish to note that even in this forum, the state of Hawai‘i is participating with full voting rights, along with the U.S. territories and the island countries. This is as it should be in any forum in which decisions will be made setting policy for the region.

For more than 20 years, in both Democratic and Republican Administrations, territorial representation has not been seriously questioned. Why the issue of representation is being raised at this time is puzzling to me, and it is my intent to convey my concerns to the Administration. If the issue cannot be resolved at that level, I will request that Congressional hearings be held in both the House and Senate.
I have heard the argument raised that as a matter of U.S. Constitutional Law, only the United States as the sovereign has the capacity to sign international treaties. While this statement is true as far as it goes, I submit that with the SPREP agreement it is not a constitutional issue, but a matter of policy.

The important thing is whether the territories’ right to meaningful participation in SPREP deliberations is protected. My initial review of the provisions of the agreement leaves me with the serious impression this has not been ensured. While the consensus approach to decision making provided in the agreement is widely used in the Pacific island countries as a manner of deliberation for certain issues, as a matter of policy, we find ourselves in contradictory modes when participating in western, democratic, institutional structures. In addition, as stated earlier, the precedent has been set, with the South Pacific Commission as a classic example.

Unfortunately, the disputes over the territories’ decision-making capacity is a very serious matter as far as this member is concerned. It is my intention to pursue this matter further, requesting appropriate congressional hearings, if necessary.

Without sufficient time to examine carefully the issues involved, I have not yet determined what my recommendation will be to the Senate Foreign Relations Committee with regard to approval or disapproval of this agreement. But whatever the facts eventually lead me to conclude, it is important that a record be established as to what happened in this case because the issue of territorial participation is not going away.

Thank you again for the opportunity to provide my thoughts on two topical issues. While I am sure my views are not shared by all, it is important that these issues be given full airing, for public policy is formulated at its best through open public debate.
Appendix XIV

VANUATU COUNTRY STATEMENT

The Honorable Maxime Carlot Korman
Prime Minister

Bien que 1990 ait été l’année de son adhésion officielle au sein du Programme de Développement des Pays Insulaires du Pacifique (PIDP), c’est la première fois que le gouvernement du Vanuatu participe à la Conférence des Leaders des Pays Insulaires du Pacifique. Ce sommet des Leaders de notre région du Pacifique (ou d’Océanie) est, il faut le reconnaître une autre occasion de se réunir à un niveau politique pour échanger des idées et des propositions sur le développement de demain dans notre région. Des situations similaires se présentent à l’occasion du Forum du Pacifique Sud et de la Conférence du Pacifique Sud.

Tout en reconnaissant et en soutenant le principe et le mandat de ces différentes rencontres des Chefs d’État et de gouvernement, il est parfois sage de nous rappeler de temps à autre que, étant donné les ressources limitées qui nous sont disponibles à l’échelle Pacifique (ou Océanie), le principe de complémentarité doit être observé dans les programmations des différentes organisations régionales. C’est sur ce principe de complémentarité que mon gouvernement a participé pleinement en jouant son rôle de membre à la vingtième Commission Permanente dans le East-West Center à Honolulu le 27 janvier de cette année.

Permettez-moi de féliciter le Président de la Commission Permanente, Sir Geoffrey Henry, Premier Ministre des Îles Cook, mem-

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bre de Congrès, mes collègues Chefs de gouvernement, les Ministres, les Secrétaires des Affaires Etrangères, ainsi que le Président de East-West Center, Dr. Oksenberg, et le Directeur du PIDP, Dr. Sitiveni Halapua.


Mon intervention sera courte, mais je veux m'exprimer sur un ton dramatique. Mon pays, la République de Vanuatu, est, de l'avis de tous les voyageurs, un pays heureux. Notre population est souriante, tout en ayant un caractère bien trempé. Notre revenu individuel est bas, de l'ordre de 1,200 dollars par an si l'on inclut les expatriés, et probablement pas plus de 600 dollars si l'on ne tient compte que des circuits économiques Mélanésiens. Mais nos structures sociales sont encore suffisamment fortes, et notre agriculture suffisamment extensive, pour éviter l'apparition brutale de problèmes sociaux.

Malheureusement je sais, nous savons, que sans un changement complet des tendances actuelles, nous courons à la catastrophe.

Notre population croît au rythme d'environ 3 pour cent par an. Nous étions 71,000 Mélanésiens lors du recensement de 1967, et 140,000 en 1989. Nous avons donc doublé en 20 ans. Cela veut dire que nous serons près de 300,000 en 2010; c'est à dire demain. Dans les années 1920, au plus bas du long mouvement de chute de population qui avait commencé au milieu du 19e siècle, nous étions 40,000.

A l'échelle de l'Inde, ces chiffres sont ridicules. À notre échelle, ils sont bouleversants. J'utilise le mot bouleversant dans ses deux sens, c'est-à-dire en mélangant

1. possibilité du meilleur—quoi de plus merveilleux pour un pays comme le nôtre, qui a failli mourir, que ce regain de vitalité;
2. L’appréhension du pire: comment allons-nous donner une éducation, une santé, un métier, un avenir à tous ces jeunes, alors que nous ne sommes déjà pas capables de les fournir à la génération actuelle?

Quelle politique économique faut-il suivre dans nos petites îles pour assurer sur une ou deux décennies un taux de croissance annuel d’au moins 7 pour cent, ce qui, compte tenu de l’augmentation de la population, ne fait que 4 pour cent en croissance réelle?

Des pays Asiatiques arrivent aujourd’hui à tenir ce rythme, mais dites-moi quel discours doit être tenu à notre population pour qui croissance économique veut encore dire: rupture des liens sociaux traditionnels, problèmes urbains, pollution, investissements étrangers?

Je le répète, Vanuatu est aujourd’hui un pays relativement heureux. Mais déjà, des îles sont surpeuplées et leurs populations migrent vers la capitale.

D’autres îles au contraire se dépeuplent complètement, car leurs populations ne supportent plus l’isolement et l’absence d’infrastructure.

A la fin de mon mandat d’homme politique, dans deux ans, dans six ans, la situation sera déjà un peu plus difficile. Mais si j’accomplis correctement mon travail en créant des infrastructures, en restant à l’écoute de mes compatriotes, j’aurais contribué à conserver ou à donner de l’espoir. Mais ne doit-on pas craindre qu’un jour les digues de l’espoir ne rempent devant l’ampleur de notre problème? Et alors que dirons de nous les populations futures?

Mes chers collèques, je sais que la situation de mon pays n’est pas unique dans notre région. Je serai donc heureux que dans les temps à venir, nous échangions nos idées sur cette question.

Je n’ai personnellement pas de solution. J’ai simplement deux sentiments:
A court terme, comme je viens de le dire, nous devons créer un environnement aussi favorable que possible au développement économique,

- en créant des infrastructures de communications,
- en louant dans nos discours et nos attitudes les deux éléments traditionnels fondamentaux pour notre cohésion sociale: (1) l'agriculture, et (2) les liens familiaux et villageois.

Mais à long terme, nous ne pourrons pas y arriver individuellement. Une politique de contrôle familial, par exemple, suscite forcément des rejets. Si l'un d'entre nous applique une politique de contrôle des naissances, mais qu'un autre le rejette, comment voulez-vous que les populations aient une idée claire?

Si l'un d'entre nous affirme que l'agriculture est le seul moyen de donner de l'emploi à tous, mais qu'un autre affirme au contraire que l'agriculture insulaire n'a pas d'avenir, comment voulez-vous que les gens aient de l'espoir, travaillent et investissent dans ce domaine?

Une aide internationale est nécessaire. Comment espérer qu'un pays de quelques dizaines de milliers d'habitants arrive à mobiliser les grandes organisations internationales?

Je ne sais pas encore comment nous devons nous y prendre. Je ne sais pas encore comment nous devons coopérer. Mais je sais que cette coopération, cette proximité mutuelle est indispensable.
Appendix XV

LIST OF PUBLICATIONS AND REPORTS DISTRIBUTED TO THE FOURTH PACIFIC ISLANDS CONFERENCE OF LEADERS


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The East-West Center is a public, nonprofit education and research institution with an international board of governors. Scholars, graduate students, educators, and professionals in business and government work with the Center's staff on current Asia-Pacific issues. The Center was established in Hawai'i in 1960 by the U.S. Congress, which provides principal funding. Support also comes from more than 20 Asian and Pacific governments, private agencies, and corporations and through the East-West Center Foundation.
Pacific Islands Development Program

The Pacific Islands Development Program (PIDP) of the East-West Center serves as the regional Secretariat for the Pacific Islands Conference of Leaders. PIDP provides the research and training products based on the issues and problems identified by the heads of governments in the region. The Conference, which meets every three years, selects the Leaders to serve on its Standing Committee. This Committee reviews PIDP’s projects annually to ensure that they respond to the issues and challenges raised at each Pacific Islands Conference. This process enhances and provides focus for the East-West Center's mission in the Pacific islands region.