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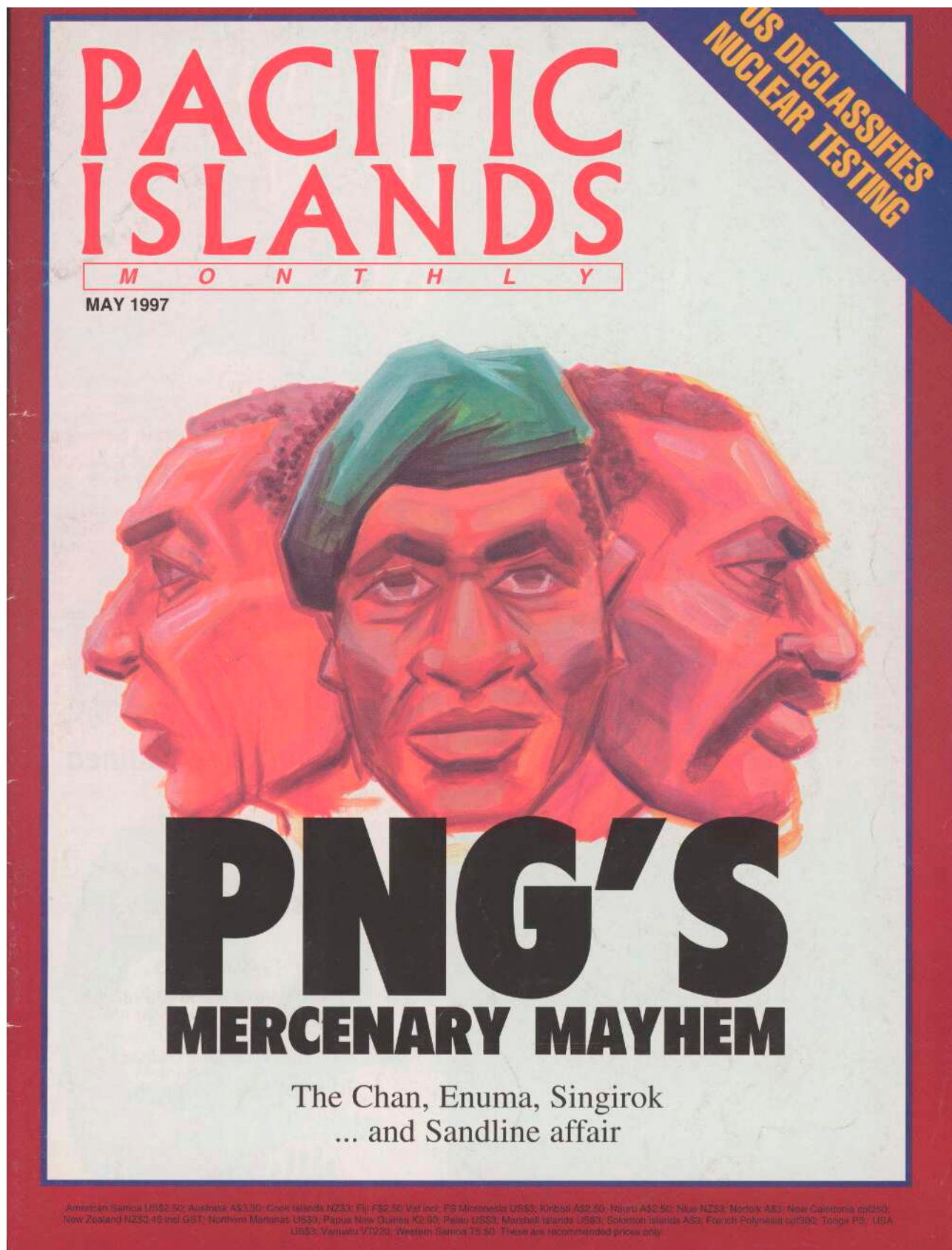
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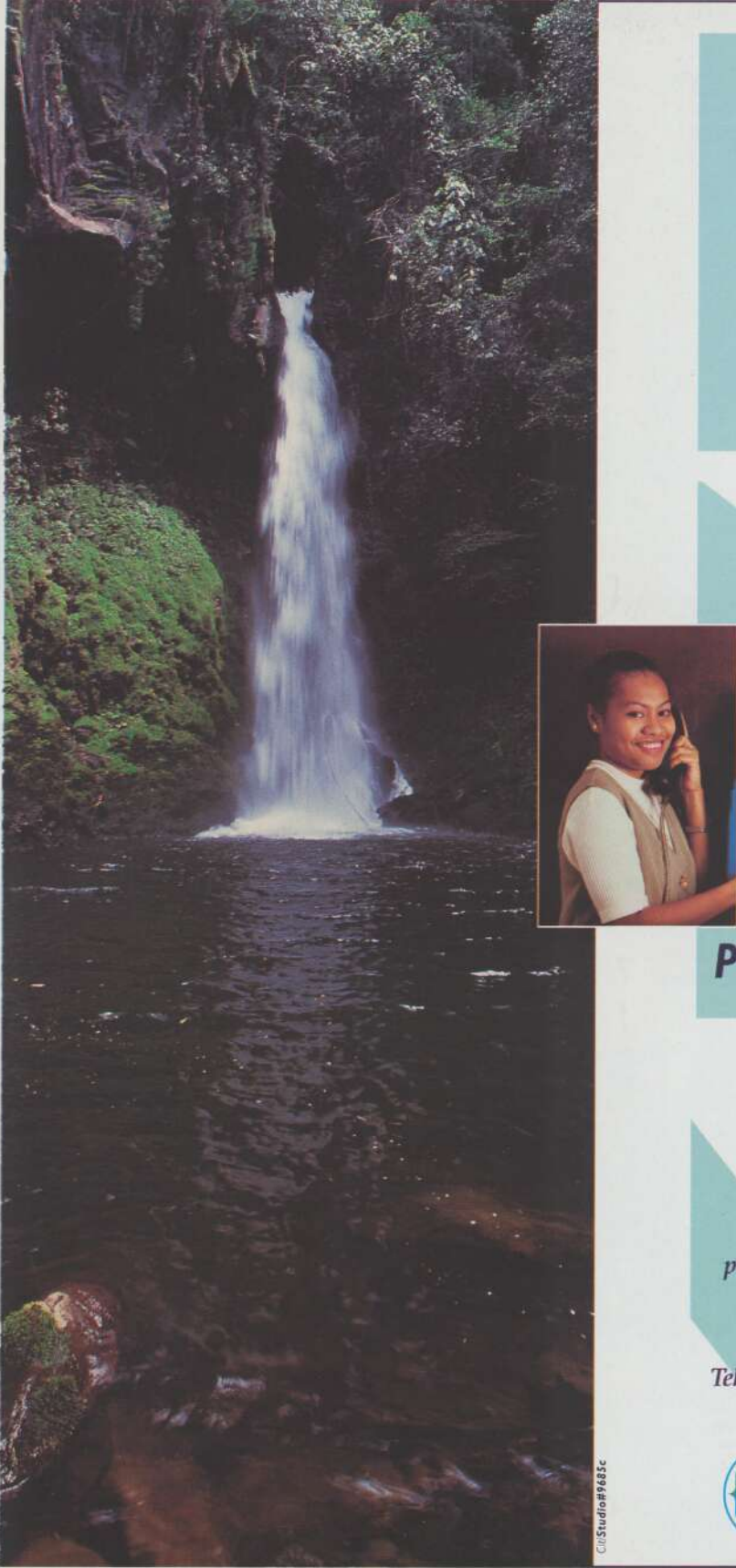
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INSIDE



Cover Story: Mercenaries and mayhem

Editorial	5
Letters to the Editor	5
Briefs	9
Special Report: South Pacific documentary	10
US declassifies nuclear footage but just what are the motives?	
Cover stories: Mercenaries and mayhem	12
PNG's hired help leads to government's breakdown	
Marshall Islands and the economy	22
RMI assesses its economic future as the Compact of Free Association nears end	
Reaping the benefits	25
New president eyes personal gain	
New Caledonia	26
The politics and economy of a nation teetering on the possibility of independence	
Telecommunications feature	38
Insurance feature	44
A king regains his crown	49
Fiji's success at the World Cup Sevens	
Lam's lament	50
Fishy market for Ebony and Ivory duo	53
Controversy surrounds CD release	
Book Review	55
Figiel's novel marks new generation in Pacific writers	
Yachting	56
Lewis sails to Samoa	
Opinion	58
The Pacific paradox	



Page 10



Page 49



Page 53

EDITORIAL

The recent release of Helen Razer and Indira Naidoo's version of *Ebony and Ivory*, at the carefully selected launch

venue of the Fish Markets Auction Auditorium, is yet another addition to the bandwagon of anti-racism protests sparked off by Australia's former fish and chip shop owner and independent member of Oxley, Pauline Hanson.

And as the public reacts with self-righteous indignation to Hanson's racist attack on Australia's non-White immigrant community, the very vocal concerns over what Australia is coming to should indeed be taken with a rather large pinch of salt.

That is, of course, not to say that Hanson does not deserve public condemnation for her comments and her parochial outlook on the inevitability of the global village scenario. The danger, however, lies in the implication that racism was a foreign concept to Australians and has been felt only since Hanson, until which time Australia experienced true multicultural

Anti-racism bandwagon

harmony. Naidoo's comment that, before the past three months, she had found Australia "the most harmonious, tolerant place to live" and Razer's shock at what she sees as Australia adding "racism to the vast catalogue of global stinkiness" reek of ignorance.

And while Naidoo may see herself as a success story and proof of Australia's multiculturalism in her capacity as an ABC television news reader, the question that must be asked is just how many of Australia's non-White broadcast journalists speak without an Australian or British-based accent.

It was before Hanson took to the public arena that Australia made proficiency in the English language an eligibility factor for potential migrants; ironic in the face of multiculturalism.

It was also before Hanson that the video tape of Australian police officers

parodying an Aboriginal death in custody was made public.

It was before Hanson that the Australian vocabulary included the words "Vegemite", "wog", "Abo" and a host of other synonyms to refer to non-Whites.

And it was also before Hanson that atrocities were committed against Australia's Aboriginal population.

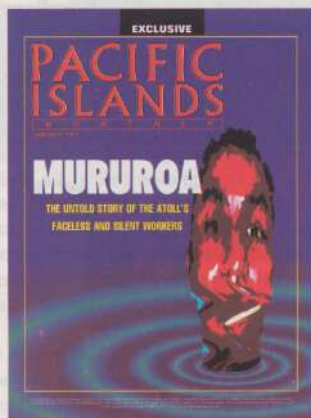
Racism has not only just become a serious issue, contrary to what Naidoo's seems to think. Neither does racism only exist in Australia. It is universal and has always been around.

And this is precisely why any measures to genuinely combat racism cannot come in spurts and bursts and just be a passing fancy – a fad to identify with for only as long as it remains trendy.

The issue of race is not quite as black and white as ebony and ivory and cannot be allowed to go the way of most hit songs – into oblivion until the next remix. ■

• Story on page 53

LETTERS TO THE EDITOR



Nuclear reactions

Dear Sir,

In your March issue, Michel Jolivet, ambassador of France to Fiji, asked questions like: "How could widespread cancer [in French Polynesia] have remained unnoticed for decades in a population so easy to

identify?" and "How does one hide this epidemic in an open and democratic country like French Polynesia?"

My reply: May I suggest it has something to do with what is called "secret of defence"? I won't bother with the rest of the letter from someone who still uses arguments like: The head of the IAEA (International Atomic Agency) swam in the lagoon [of Mururoa] and declared it was wonderful...

It's an insult to the intelligence of the people of French Polynesia, of the South Pacific and to everybody concerned with the health effects of the French nuclear tests.

Pierre Riant,
Melbourne, Australia

Dear Sir,

In your March edition, Bernadette Hussein wrongly alleges that one of our ships, the *Pacific Teal*, "suffered a serious engine failure on one of its previous voyages."

She then speculates about the consequences "if this happened during the voyage" carrying solid vitrified radioactive waste from Europe to Japan.

You give the credit for your claim to "records obtained by Greenpeace" (as if to imply that was the only way to obtain such information). Far from being kept from the public, this information was provided through regular public meetings which are held at the ship's home port of Barrow in Cumbria.

The facts are that during a voyage from Japan to Europe (completed in 1990), there was a small loss of coolant in one of the ship's two engines. The voyage was completed safely and without interruption. As hairline cracks in the cylinder blocks were identified by the post-voyage inspection, new cylinder blocks were immediately fitted.

All of the PNTI fleet undergo thorough maintenance work after each voyage. This involves stripping, inspecting and servicing key parts of both engines. Prior to the ship's departure on its current voyage, both

LETTERS TO THE EDITOR

engines, together with all other key systems, were carefully inspected. Genuine experts also do not share Greenpeace's view that the special flasks in which the material is transported have had "inadequate design and testing". The joint expert working group of the three United Nations bodies – the International Atomic Energy Agency (IAEA), the International Maritime Organisation (IMO) and the UN Environmental Program (UNEP) – carefully analysed these claims in 1993 and concluded that: "The papers submitted by Greenpeace International provided no evidence to justify their allegation that IAEA regulatory test standards are inadequate."

The working group also concluded that. "All of the available information demonstrates very low levels of radiological and environmental consequences from the maritime transport of radioactive material."

All of the ships operated by PNTL have a safety record second to none, having covered more than five million kilometres without a single incident resulting in the release of radioactivity. The purpose-built ships have a range of safety features far in excess of those found on conventional cargo vessels many of which are duplicated (including two independent engines), meet the highest safety rating of the IMO and comply with all relevant international safety regulations.

I hope this information - based on fact - sets the record straight

Gavin Carter,
International Transport Co-ordinator,
BNFL

NZ and overseas aid

Dear Sir,

In his story on New Zealand politics in January's *Pacific Islands Monthly*, your correspondent, Atama Raganivatu, has quite misrepresented the new coalition government's policy on overseas aid. The relevant sections are as follows and I believe your readers have every reason to be gratified by the commitments and support for the South Pacific evident in them.

"Reinforce the special obligations New Zealand has to assist the small independent Pacific Island states, particularly with eco-

nomie, trade, training and development aid programmes, obligations that have evolved through a long history of immigration and cultural linkages."

"Continual increase in NZ ODA commitments (currently at 0.24 per cent of GDP), the greater proportion to be directed to the South Pacific (as above). The cost of the delivery of health services to citizens of countries which are the recipients of ODA which creates outstanding debts in the CHEs shall be met from funds withheld during ODA bilateral negotiations."

May I say that I think the article is also confusing opinion with fact in asserting that "most" members of New Zealand's Pacific Island community would have preferred to see a government featuring the Labour Party.

Don McKinnon,
Minister of Foreign Affairs and Trade,
Wellington, New Zealand

● I rang Mr McKinnon's office the day after the coalition agreement was announced and spoke to a senior public servant there. He informed me that the previous National Party government's Overseas Aid commitments would remain in place, with a slight (undefined) increase in the percentage being allocated to Pacific Island states. I duly included this information in my January, 1997 article and McKinnon has confirmed it in his letter.

The only misrepresentation I can detect is that, due to either a slip of the tongue by the public servant or me having misheard him, I reported the new government's Overseas Aid commitments to be 2.4 per cent of Gross Domestic Product, whereas it transpires the true figure is 0.24 per cent. I must, therefore, concede that the New Zealand government's commitment to aid is one-tenth of what I had initially stated.

However, it is pleasing that McKinnon has further outlined New Zealand's policy – something space restrictions prevented me from doing. Nor should there be any doubt that the Kiwis' commitment and support for our region is generally highly appreciated.

Only through New Zealand's Pacific Island community being allocated their own exclusive constituency, like the five Maori seats (which, of course, is not a seri-

ous option) would one be able to prove beyond all doubt that the majority of them support the Labour Party. However, voting patterns in the existing constituencies which include large numbers of Pacific Island people provide overwhelming evidence that my opinion in respect of this are one and the same.

Atama Raganivatu,
Oamaru, New Zealand



Integration vs multiculturalism

Dear Sir,

I read your article "The Hanson debate" (*PIM* Feb) at first with annoyance, then with amusement, shaking my head in pitying wonder. Twenty years ago, this country had, as its immigration policy, the White Australia Policy. As time went on, the vast majority of "Anglo-Celtic" Australians, felt that this policy was stupid and wrong. We believed that the colour of a person's skin was immaterial to their suitability as a migrant.

But we believed in the integration of migrants into our community, not, as we now have, multiculturalism, which to most Australians means the Balkanisation of our community into warring tribes.

Mainstream Australians believed that this country had a great deal to offer to potential migrants who could contribute to the wealth, culture and growth of Australia. But to achieve this end, careful screening of potential migrants was necessary, and, for the good of the Australian people, stan-

LETTERS TO THE EDITOR

dards of entry had to be applied.

These were that potential migrants must know how to speak English. Every year, this country squanders \$280 million teaching migrants, who aspire to be citizens of this country, how to speak our language. A further \$60 million is squandered, printing government pamphlets in the language of just about every country in the world.

Many more millions are poured down the drain providing interpreters for courts and every government department you can name. Australia has a bankrupt army, a bankrupt public hospital system, a lack of resources in our public schools, poor roads, a creaking public transport system, and we, the people, are understandably angry that our high taxes are being pillaged, to provide for migrants, who should never have been selected for migration.

Australia's social security safety net was created to help Australia's poor people. But our social security system is being plundered by migrant groups who have never contributed a penny to its finances.

That the Australian government can bring people into my country who cannot even speak our language, have no job skills, go on unemployment benefits, free health care, and then be put on a public housing list, incenses the Australian people.

The prime minister's feeble response to this outrage was to propose that newly arrived migrants should wait for 12 months to be eligible for social security payments. But even this mild reform was viciously attacked by migrant groups, who care only for the interests of their own racial groups.

It has been reported in our newspapers, that there are over 60,000 New Zealanders living in Australia on social security benefits. Yet there are just 13 Australians living in New Zealand on social security benefits.

We do not believe in multiple marriages, female circumcision, arranged marriages, assassination of political opponents. The danger is that as increasing numbers of migrants, whose cultural values are abhorrent to Australians, pour into

our country and set up ethnic ghettos in our cities, these alien communities will demand special laws appropriate to their alien cultures.

This has already begun to happen. Local people who live in migrant areas are finding that they can not take their children to their local council swimming pools on days reserved as "Muslim womens' swimming days".

Recently, Australian naval forces were involved in the war against Iraq when that country invaded Kuwait. The attitude of Australia's Arab community was a sad indictment of Australia's immigration fiasco. Casual Arab acquaintances of mine were pro-Saddam Hussein and anti-American.

Ethnic crime in this country is spiralling out of control. Your own magazine has an article in it, "The lost boys" (Feb), which states that there are not many islanders in Washington, but there are a lot of them in jail. A similar situation exists in Australia.

The scale of violent crime reported in



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PACIFIC ISLANDS MONTHLY - MAY 1997 7

LETTERS TO THE EDITOR

the media attributed to suspects of "Pacific Islander appearance" is so high, that the various ethnic lobby groups tried to suppress the descriptions of suspects published by the media.

The 'Vietnamese ghetto' of Cabramatta is the crime capital of Australia. It has the highest car theft rate, the highest murder rate, the highest drug overdose rate (50 dead in the past two years), and the only place in the land where an Australian politician has been assassinated. It now boasts 14 video cameras in the main shopping centre to prevent the selling of heroin.

Fourteen-year-old Vietnamese children are caught time and again selling heroin to Australian youth. They have no fear of our legal system, which to their culture is ridiculously lenient. The main political parties are now too frightened of the growing political clout of the ethnic lobbies to stand up for the rights of their own people.

Another less-than-delightful manifestation of our immigration policy is growing inter-race hatred with its accompanying appalling violence. Bombs have exploded at the Turkish embassy and others have exploded outside Yugoslav travel agencies in the middle of Sydney's shopping centre where Australian pedestrians were killed or seriously wounded.

I hope that I have cast some light on the reasons why Pauline Hanson has gained such wide popular support amongst Australians. Australia's immigration policy has lurched from one stupid extreme, that of total racism, to the other stupid extreme, one of multiculturalism, and we are reaping the consequences of this stupid policy. There is a law that governs the peaceful co-existence between the races. That is, that a racially and culturally homogeneous society will welcome people from another race or culture provided that the culture of the original inhabitants is pre-dominant.

But where a minority population exists, whose population increase, either through birth rate, or immigration, exceeds that of the original inhabitants, especially if the values or customs of the minority are contrary to the others', you have the basis for extreme racism and, ultimately, civil war.

If my previous statement is incorrect, could you offer a different explanation, for what went wrong in Lebanon, Cyprus, Fiji, Brixton, Los Angeles, Yugoslavia, Rwanda, Uganda, Armenia, Kurdistan,

Chechnya, Czechoslovakia, Sudan, Pakistan, India, Bangladesh, Kashmir, Palestine, Congo, Nigeria, Biafra, Punjab and Malaya?

I believe that the truth of my assertion, is self evident and absolute. I fear that Australia's immigration policy, is going to lead my country into bloodshed and turmoil. I do not want my country ending up with a legal system like the United States', where the race of the jury is the deciding factor in whether the accused is guilty or innocent.

*John Kayes,
NSW, Australia*

The conservation debate

Dear Sir,

Allow me to reply to Inge Mathiesen's letter (*PIM* March). Mathiesen had it all wrong with regards to my previous letter of December 1996. He absolutely misread the whole thrust of that missive.

Mathiesen exudes the arrogance of a person who thinks he can bulldoze his beliefs and values down the throat of others. If Mathiesen has not experienced "life on atolls", he should stop writing nonsensical and insulting letters. He knows less than enough of such places.

Tell us, Mathiesen, whose fault was it that your darling whale population had decreased since the 1970s? Definitely not Pacific Island nations'. Direct your complaint about the whales, the dolphins, and the driftnets to those countries concerned. Not to us. The people of the Pacific whose ancestors came and settled on these islands continually struggled to survive in a very trying environment. A major part of that struggle is shared with the vast ocean that surrounds the islands. Indeed, through the centuries, island peoples have developed and refined ways of using the meagre land and marine resources. Island people do not thrive in abstract idealism. They use all available land and marine resources, knowing fully well that if they overuse them, they too will have to pay the price. To the island people, life is a reality they have to negotiate, daily. We do not have luxuries and huge land areas which, Mathiesen, who live thousands of miles away in Montana, might probably have.

Mathiesen alluded to the rising population as one of the major problems threatening mankind. This is not only a simplistic argument but a downright insult to others who have healthy populations. Mathiesen and his like may be disposable/dispensable. We are not! Certainly, the world's population is increasing but, so far, I have not heard any "explosions". The only explosions thus far documented in the Pacific were those initiated by Mathiesen's own country - USA - the only country that has used atomic bombs on a civilian population. Moreover, the environment and the people of the Marshall Islands were and still are affected by the H-bombs tested in their vicinity.

Unlike Mathiesen, I would not lower myself to the status of a turtle or a dolphin. Island people understand that humans, animals and sea creatures cannot - and must not - be simplistically compared. So I can fully understand why island people, on special occasions, kill for food - turtles. But they do not do it in a manner that Mathiesen's people would do. In fact, we cultivate and harvest turtles. I would not hesitate to aver that if Mathiesen had a choice he would have opted to be a whale, a dolphin, or a turtle rather than be a human. To Mathiesen, it seems that another extra human life would mean impending doom and disaster for the world.

As for me, I would rather be a human, listen to and accept advice from Pacific Islanders and others who know and live what they are saying and doing than to refer to the likes of Mathiesen who assume they can think for and represent others.

*Timeon Ioane,
Honolulu, Hawaii*

CORRECTION

The report "At the end of the line" (*PIM* April, '97) incorrectly stated that Solander Pacific had stopped exporting to Japan. We apologise for any inconvenience caused by the error.

Letters to the Editor should be addressed to:

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BRIEFS

Pago Pago tuna plant dodges the bullet

HJ Heinz Company, the multi-billion-dollar-a-year, world wide food concern, keeps threatening to move its 2500-worker tuna plant out of American Samoa, on the grounds that local taxes and wages are too high. (As a result it gets dozens of tax breaks from the poverty-stricken territorial government and has the lowest minimum wage under the US Flag.)

But in March, when Heinz laid off several thousand workers worldwide, closed one of its trademark ketchup plants, and cut back its weight-watcher programme – all as a part of the firm's largest retrenchment program in its history – the Pago Pago plant was spared.

In fact, Heinz said that its cutbacks were aimed at concentrating the firm's focus on its core products, including tuna. So far, Heinz's threats to close American Samoa's largest factory have proved hollow.

The announcement of the cutbacks was made by Dr Anthony JF O'Reilly, Heinz chairman, who in a good year earns personally more than three times as much as all 2500 of his firm's Samoan fish packers combined. His income, which has reached \$US75,000,000 a year, also has exceeded the whole gross national product of some of the smaller nations of the Pacific (see Who's making money? PIM March, 1992).

- By David North

Western Samoan PM attacks man

The prime minister of Western Samoa, Tofilau Eti Alesana, allegedly verbally abused and punched Mafutaga, a 20-year-old man, about the head after a road accident, a Pacnews report said.

The 72-year-old prime minister allegedly turned violent after his vehicle smashed into the back of a pick-up truck, said Salu Toitua, Mafutaga's father and the owner of the truck. However, Mafutaga's family has decided not to press charges against the prime minister. The accident occurred outside Moototua National Hospital near Apia. Although both vehicles were extensively damaged, there were no injuries.

Islands taken into classroom

Pacific Passages, a 30-minute video on contemporary life in Pacific Island countries was completed in March and will be

used in Hawaii's seventh grade, where students are now required to study a semester of Pacific Island studies, Pacnews reported.

Caroline Yacoe, executive producer of *Pacific Passages*, said the video included footage of coming-of-age rituals in Papua New Guinea and funerals in Tonga. The narrator of the video, teenager Susan Hellerman, is a Pacific Islander-American.

Women's issues addressed for image

Fiji intends to include an item on the role of women in Melanesia at the 11th Melanesian Spearhead Group (MSG) meeting to be held in Fiji this month, Pacnews reported.

Fiji's minister for foreign affairs, Filipe Bole, last month said that if the matter could be achieved in the framework of MSG member countries, it would be a signal to the international community that Melanesia recognises the role of women.

ARU wants Pacific rugby team

The Australian Rugby Union has called for a Pacific Islands team with players from Fiji, Tonga and Western Samoa to be introduced in a Super 15 tournament, Pacnews reported from Canberra.

Officials of the present Super 12 Series are expected to meet this month to decide on adding two more teams to the tournament next season. ARU chief executive John O'Neill has suggested that the Super 12 be extended further to include a South Pacific team based in Auckland, New Zealand.

Australians may face jail over PNG crisis

Some Australians could face jail for their involvement in Papua New Guinea's aborted Sandline mercenary operation, according to a report carried in *The Canberra Times* last month.

An inquiry into the affair being conducted in Port Moresby was expected to expose the involvement of several Australian businessmen in the recruitment of foreign mercenaries to allegedly deal with the country's Bougainville crisis.

Earlier media reports stated that four Australian Vietnam veterans were among the mercenaries recruited by Sandline for the PNG government.

Electrification scheme may save Pacific Island coconut palms

Coconut prices have sunk to all-time lows in recent years, forcing some governments in the region to abandon the traditional crop. But new technology being developed by the South Pacific Commission's Rural Development unit to use coconut oil for rural electrification may get their economies fired up again. The system, developed by Patrice Courty, a technology adviser attached to the unit, says his objective is not to produce energy – "any stupid guy can do it" – but to design an integrated energy system where the people can add value to their produce in the village. He points out that most remote islands in the Pacific have just two products to sell – fish and coconuts. But for people to sell coconuts, they have to turn it to copra, which in turn needs government subsidies to survive, because it needs transport to export outlets.

"If they use this copra to produce energy, they don't need these subsidies," argues Courty. Courty's dream of having a chain of remote Pacific Island communities producing coconuts to fuel their own small electricity generators came a step closer in February, when the French government signed an agreement with the SPC worth 50,000 francs (\$US95,000) to fund coconut fuel driven rural electrification projects in the Pacific.

- By Kalinga Seneviratne

Fiji backs off PNG crisis

The government of Fiji regards the situation in Papua New Guinea as the country's internal matter and will not make a political stand on it. Foreign Affairs permanent secretary Gyani Nand said this was despite bilateral agreements between the two countries. Fiji has a bilateral air services agreement, a bilateral trade agreement and a bilateral technical co-operation agreement with PNG. Early this year, Fiji's Foreign Affairs Minister Filipe Bole visited PNG where he met with the then Prime Minister Sir Julius Chan and the Foreign Affairs and Trade Minister Kilroy Genia. Nand said this was a goodwill visit which also included discussion on the preparations for the MSG hosted by Fiji from May 7 to 9. Again discussions focused largely on the MSG and bilateral issues.

- By Bernadette Hussein

■ SPECIAL REPORT

South Pa

US declassifies nuclear fo

By IAN WILLIAMS

As one of her last acts before leaving her job last month, US Secretary for Energy Hazel O'Leary ordered the release of 6500 films taken of the nuclear tests that began in New Mexico in 1946, and then continued, mostly in the Pacific, until 1962.

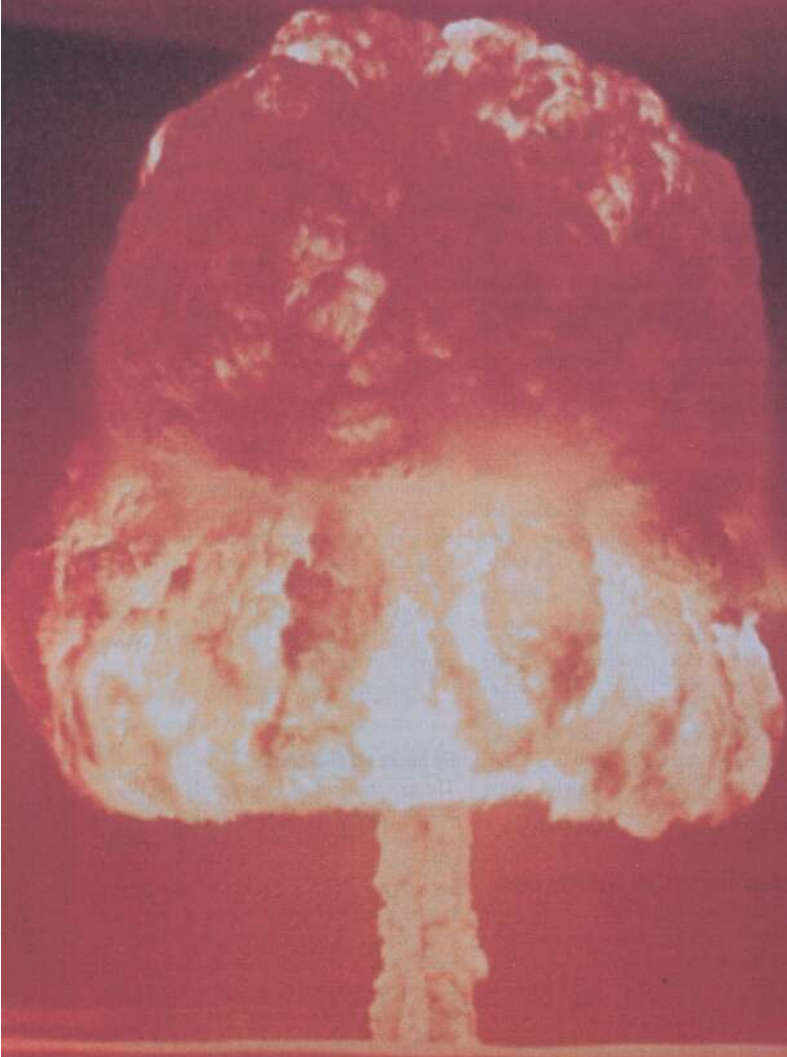
Part of her "Openness Initiative", the Department of Energy says that the release will support "government accountability and trust in government by the public".

The images are of haunting beauty, and the stills could almost be sold as works of art. It takes an effort of imagination to consider the death and destruction these explosions represented. It also represents an effort of analysis, as Pacific Island representatives and their lawyers scrutinise the footage for signs of disasters and mistakes that could revive their claims for increased compensation. It is just as likely to confirm their suspicions about the US government as it is to promote trust. Author Jonathan Weisgall, whose book, *Operation Crossroads*, mercilessly dissected the horrors and incompetence involved in some of the tests commented: "There is a lot of new material, and there may be a renewed discussion of the mistakes that were made. This footage reinforces what I have been saying."

O'Leary may have been too open for the administration's liking, and is now considering her future – although she definitely excludes politics as a career option, she told *PIM*, adding: "I put the word out that at each individual site, the people in charge of declassification should be pushing for openness. My job at senior level was to use tact and diplomacy to move it through and make sure it happened on my watch."

"The good news was that the people at the higher levels of the defence department came behind it. I was concerned that the film we showed shouldn't editorialise, and let people draw their own conclusions. If you want to make the point of who was used, lots of people were, in the US and in the Pacific, military and civilian."

For her, especially since her department included the former Atomic Energy Commission, the openness was a point of principle. "This is about how the government lives up to its responsibility to



Photographs have been taken from declassified US nuclear footage

The 11 megaton Romeo shot, part of Operation Castle, near Bikini Atoll on March 26, 1954

cific-the documentary

age but just what are the motives?

all of us, ordinary people. Some of us who work in government begin to think we are extraordinary. But in the end public service is about the ordinary men, women and children. I am sure you have photographs that are beautiful, but you also have photos of ordinary men, dwarfed by what is happening."

The suggestion to release the films came from Charles Dimos at the Albuquerque DOE facility, who is following up on O'Leary's openness initiative. He told *Pacific Islands Monthly*, "I remembered, a picture is worth a thousand words and so moving..." Since then he has been a mainstay of the effort, which involves the films being transferred to digital video before being examined for material too dangerous to declassify, which is defined as material that would help someone else make a bomb.

The footage so far released includes Test Able, where a bomb was dropped from a B29 on a fleet of 90 vessels moored in Bikini Lagoon and Operations Sandstone, Greenhouse, and Ivy at Enewetak. Operation Castle shared its dubious favours between Bikini and Enewetak and included the largest ever US explosion, and the biggest disaster, Operation Bravo, which weighed in at 15 Megaton.

Later films show US Army engineers clearing up the Pacific test sites. It reinforces O'Leary's point that these tests used people, US military and civilians and Pacific Islanders. One official told *PIM* of being called by the wife of a man in a wheelchair, dying of three types of cancer, who had been a soldier in Hiroshima just after the war, and had been marched into a mushroom cloud – but who could not prove his case because all the documents that would prove his presence at these events were either destroyed or classified.

Many of the films are now physically deteriorating, and many others were lost or destroyed over the years. It will now take up to seven years at a cost of \$US200,000 to transfer the archives to video format.

The work of converting them to videotapes has already begun, and footage has been shown on television. But there is a lot more to come. Even after the video transfer, censors will check that no classified information is left in the publicly issued footage.

One reason for the effort is not so peaceful. The archives of preserved films will help preserve the US deterrent, according to the DOE press release. It is now 35 years since the US conducted such nuclear tests, and the people who worked on the tests are now

mostly retired or dead. If the US were ever to resurrect its nuclear programme, the details of the preparations shown in these films would be invaluable. As they say, among other objectives, this project tries to determine why things were done the way they were, and may provide "valuable information for the training of future Defence Programs scientists and engineers".

The department also claims that release of the films should encourage other nations to declassify similar information, and



Ivy Mike, an experimental thermonuclear device, fired on Enewetak on October 31, 1952.

establishes the US government as a responsible global leader in nuclear information transparency. Just how transparent, will probably soon be put to the test by the Marshall Islands government, which seems to have great hopes of being able to reopen the question of compensation for nuclear explosion damage. They are scru-

■ SPECIAL REPORT



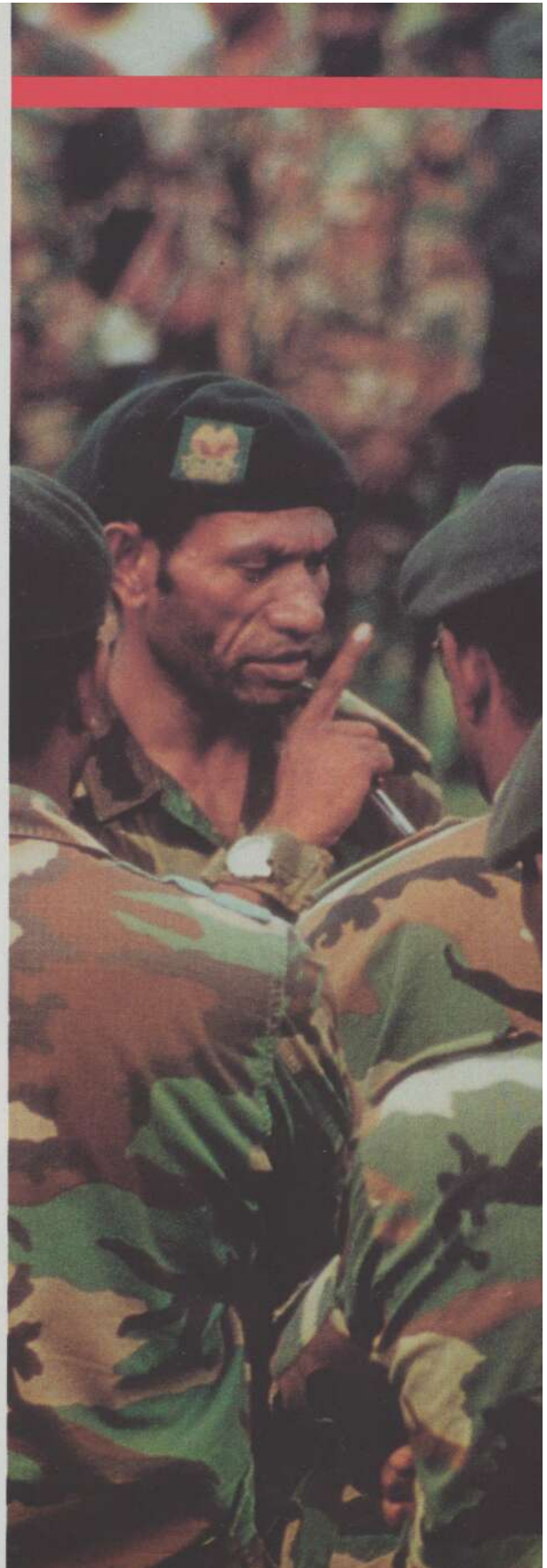
Operation Hardtrack, Umbrella Shot, Enewetak Atoll on June 8, 1958



Baker Test, Bikini Atoll on July 24, 1946

tinising the footage, but as one observer said: "The Marshallese always have hope, and they may even deserve it. But that doesn't mean they'll get it."

But in the meantime, the rest of the world will be reminded of how close it was to destruction during those years when the Cold War was always just milliseconds from being as hot as hell – whose flames lick hungrily from these films with each fireball. ■



COVER STORIES

Mercenaries and mayhem

PNG's hired help leads to government breakdown

By **ALFRED SASAKO**

Nine years after it started with thousands of civilian lives lost and thousands more displaced, a solution to the Bougainville crisis remains as elusive as ever.

It is the single biggest regional issue which has claimed lives since World War II, and a conflict that no regional governments wanted to discuss openly.

In many regional capitals, the Bougainville issue was off-limits even within the confines of the South Pacific Forum – the annual summit of the region's top political brass where political and security issues continue to feature prominently on its agenda.

Political leaders treat the conflict – and rightly so, as Bougainville is still an integral part of PNG – as an internal matter for the Port Moresby government to deal with.

Until early this year, that is.

In March, news leaked out that the PNG government had signed a \$US36-million deal with the London-based Sandline International, effectively paving the way for the first "import" of mercenaries into the Pacific.

Under the deal approved by Prime Minister Sir Julius Chan, one of the region's veteran politicians, the mercenar-

ies would train an elite PNG squad to eliminate the Bougainville Revolutionary Army (BRA) leadership and its supporters, effectively declaring a war intent on wiping out the estimated 110,000 BRA civilian supporters scattered across what was once the North Solomons province.

The deal led to a very tense stand-off between Sir Julius and the 4500-strong PNG military which demanded that Sir Julius along with his deputy, Chris Haiveta and defence minister Mathias Ijape, stand aside to make way for a commission of inquiry.

At the height of the stand-off, the deal was suspended, Sir Julius and his two ministers stood aside and a commission of inquiry was set up to investigate allegations of corruption involving the deal.

It was a deal that sent the PNG political system on a downward spiral, only stopping short of a military coup and in the process saving the country from fear of total anarchy.

News of the deal also triggered alarm bells in Canberra and Wellington as well as in all other regional capitals.

After all, hiring of soldiers of fortune was never the 'Pacific Way' of resolving disputes – any kind of disputes.

Incidentally, under the deal signed by Haiveta with Sandline's Chief executive, Tim Spicer, the mercenaries were to go to

Enuma briefs PNGDF soldiers
- Picture by Sam Vorum

COVER STORIES

Bougainville as "advisers" to the PNG soldiers.

According to Sir Julius, the mercenaries, recruited mainly from South Africa, would go to Bougainville – but only as advisers.

"They would not be used on the front line," he told reporters as the unfortunate saga continued to unfold in Port Moresby.

But as pressure mounted, Sir Julius conceded that the mercenaries would be involved in active combat. This fact was later confirmed by Brigadier-General Jerry Singirok – the man Sir Julius could not get rid off, despite Waigani's decision to decommission him as commander of the PNG Defence Force.

Singirok's unrelenting stand against alleged corruption in the Sandline deal and the restraint he exercised over his troops have earned him the respect and admiration of his men and the general populace of Papua New Guinea. There is also widespread praise for him in the region.

Legality of the deal aside, debate over the merits or otherwise of the intended use of mercenaries on Bougainville is expected to continue.

Indeed, history will perhaps judge Sir Julius as the infamous politician who opened up the Pacific region for the soldiers of fortune.

Whatever the argument, everyone agrees that inviting the mercenaries is destabilising for the region. Diplomats are, however, clearly divided over what drove Sir Julius to even consider hiring the mercenaries in the first place and risk isolation by his regional colleagues.

To many, the question that continues to beg for an answer is why Sir Julius opted for a military solution for the nine-year old conflict in the face of advice by his own military chiefs against such a course of action.

"Sir Julius is clearly frustrated," one diplomat close to him said.

"From the start, his number one goal was to find a lasting solution to the Bougainville crisis. Lack of support by Australia and frustration over unsuccessful attempts in the past for an acceptable resolution has really driven him to doing what he did."

Others see the mercenary issue as a blessing in disguise for the region, at least in terms of Australia's foreign policy or lack of it in the South Pacific. "It has exposed Australia's patronising attitude to its Pacific Island neighbours," one diplo-



A soldier stands guard outside parliament

mat said. "It is my hope that Australia-Pacific relations will enter a new chapter after the PNG mercenary debacle."

It is a hope that only a change in attitude in Canberra will realise.

One other disturbing aspect that the PNG mercenary tussle has exposed is the apparent inability of the Australian intelligence community to detect such a significant security development. According to published reports, the Australian government was briefed on the situation when training conducted by the Sandline mercenaries had been under way for some time.

It was a fiasco that had left the Australian Opposition foreign affairs spokesman, Laurie Brereton, fuming and renewing his call for an independent inquiry into why the Australian government was not alerted earlier to the Sandline deal. "It is almost impossible to believe that these negotiations, including meetings in Cairns, London and Port Moresby and an extensive exchange of papers and correspondence, were not detected by Australia's highly capable intelligence agencies," Mr Brereton said.

"Whatever way you look at it, the lack of forewarning to the Australian government constitutes a diplomatic and intelligence failure of the highest order."

Brereton's anger is understandable. The Sandline deal was not the first time the Australian intelligence community had failed to report or, rather, forewarn Canberra of an event of immense significance to the region. The first military coup in Fiji in 1987, for instance, caught

Australia napping. Australia's then high commissioner to Fiji was said to be on a boat travelling to Tuvalu when the military took over the government in Suva.

According to some reports, this was despite the fact that the diplomatic community in Suva was abuzz with rumours of an imminent military takeover.

While all is not doom and gloom, some see the events in PNG in recent months as a "window of opportunity" for Australia to play an active role in finding a lasting solution to the Bougainville conflict.

"Time is of the essence here. Once this opportunity is allowed to slip through our hands, we can be sure of a long haul," one top government official said.

Still others want to see Australia use the opportunity to take stock and to improve its aid and investment policy in the Pacific.

According to one diplomat, the only country in the region with serious investors from Australia is Papua New Guinea. Australia's investment there, particularly in the rich mineral and natural gas sector is estimated at \$4 billion. Australia's annual return on this investment is a cool \$1.5 billion. When taken into account, Canberra is still the biggest aid donor to some countries in the region, although it is particular now about where its aid dollar is going.

How does the Pacific want to see Australia? One diplomat put it this way: "Australia has the potential to be the economic power in this part of the world. It does not have to go to Asia to become that." The diplomat's assessment is that Australia will only become a world economic power in this part of the world if it is willing to do two things.

First, it must come out of its "head-in-the-sand" attitude and, second, its politicians must be forward thinking – ahead of its 17 million people, the diplomat said.

The diplomat also sees merits in Australia allowing more people to come to Australia. He argued that the United States is both a military and economic power in the world today because it has the population. "As a continent, Australia is equivalent in size to the continental US and Alaska combined, and yet Australia's population is only 17 million people, while the US has about 250 million or so people," he said.

"It is unfortunate that Australia, with such a potential, treats the Pacific the same way the United States treats the world – throwing money only at the world's spots where its interests are served."

COVER STORIES

Sir Julius

- just where did he go wrong?



Sir Julius ... mercenary deal leads to downfall

By **SAM VULUM**

Papua New Guinea erupted in jubilation following Prime Minister Sir Julius Chan's announcement to step aside on March 26 while a commission of inquiry he established investigates any wrongdoing in the Sandline International contract.

Henganofi member of parliament and Pangu's deputy leader for the Highlands region, John Giheno, was appointed acting Prime Minister on March 27. He was forced to make the difficult decision to defuse tensions outside Parliament House where soldiers and anti-government protesters staged an all-night vigil, forcing several MPs to spend the night in parliament while others escaped by jumping over the fence with the help of police personnel.

The announcement ended almost 10 days of chaos and anarchy sparked by the

sacking of PNGDF commander Brigadier-General Jerry Singirok for spilling the beans over the government's engagement of Sandline. Soldiers, who were at the forefront of the mercenary crisis, returned to their barracks after their vigil outside the parliament house as guards for about 2000 protesters were welcomed like heroes from battle.

Crowds stood on street corners waving and cheering, drivers sounded their car horns and flashed their headlights and small children were held aloft as the men in jungle greens, some with their faces painted in camouflage colours, celebrated their victory. They trundled home from the picket line and the barricade, most of them on the back of open trucks, returning the greetings with gusto and squirting mouthfuls of red betelnut juice over the side.

They stopped short of firing their guns into the air, but only just. The soldiers' joy at Sir Julius' departure from office was

matched by that of the thousands who had camped outside Parliament House in Port Moresby. They were listening to the parliamentary broadcast on radio and as Sir Julius uttered the words they had demanded – that he would step aside – an almighty cheer rang out. What followed were unbridled expressions of joy culminating in the mass singing of Papua New Guinea's national anthem.

In *tok pisin*, the lingua franca of Papua New Guinea, it was "*mi amamas tru*" ("I am very happy") as the locals made it overwhelmingly clear that they really don't like Sir Julius much at all.

Although, in the fluid world of PNG politics, the time of day can have a large bearing on political affiliations. The main thing they dislike about the man, whose second stint in the country's top office may well have ended on March 26, is that he is of mixed race. Another is that he is extraordinarily wealthy. Neither are reasonable grounds for uncharitable feelings but, in an economically ravaged environment, they are more than sufficient.

He argued long and hard that he had done the right thing and that he had always had the good of his country at heart. But he has ended up a long way from the hearts of his countrymen.

Sir Julius' style comes across as paternal and condescending, and on March 26 it was also extremely contradictory. He began by saying that the parliament had twice voted in his favour on the stand-down issue in the past two days. It had, in fact, voted only once.

He went on to stress that he was not bowing to outside pressure or Opposition calls. But he later said he was. For 20 minutes he wandered around in circles and two-thirds of the way through he said he was stepping aside until a commission of inquiry announced its findings on the mercenary deal.

A day earlier he had said he had given the military its best chance ever by engaging Sandline to provide men and machines to win the nine-year war on Bougainville.

But the way he went about it – not telling the Cabinet or anyone outside his purple circle – was, as Opposition stalwart Bernard Narakobi told him in the house, a "*bikpela* [big] mistake".

Twenty-four hours later the prime minister wasn't agreeing, but he would stand down anyway because he heeded the voice of the people. Within a few hours, those people were throwing parties. Meanwhile,

COVER STORIES

Sir Julius - just where did he go wrong?

Commonwealth Secretary-General Emeka Anyaoku said he had secured a commitment from Singirok to uphold the PNG constitution. "His (Singirok's) response was very positive," Anyaoku said.

"He's very keen to accept what the constitutional requirements are, namely that he has given up the command, but he has tremendous influence over the troops. He has great loyalty from them."

Anyaoku said all concerned needed to take that loyalty into account in decisions about Singirok's future. He said he had expected troops would adhere to the constitution and was greatly relieved that they did just that. Anyaoku returned to Canberra from PNG on March 25, where he made three proposals: immediate national elections; the inquiry into the Sandline mercenary contract be allowed to carry out its task as thoroughly and impartially as possible; and that the PNGDF reaffirm unequivocally its dedication to its constitutional duty. Sir Julius told parliament he was confident the inquiry would clear him of any wrongdoing over the contract with Sandline. However, the events of the last week have already damaged any attempt to win the June 14 election.

He refused to be drawn on whether he would stand for the election, saying he would let the inquiry take place first. After surviving a vote last night calling for him to stand aside, Sir Julius said he made the announcement to restore order and ensure the supreme authority of the parliament.

"I think I have taken the right course to preserve peace, to preserve order," he said in his address to parliament. "It is the right thing to do. I did not run away."

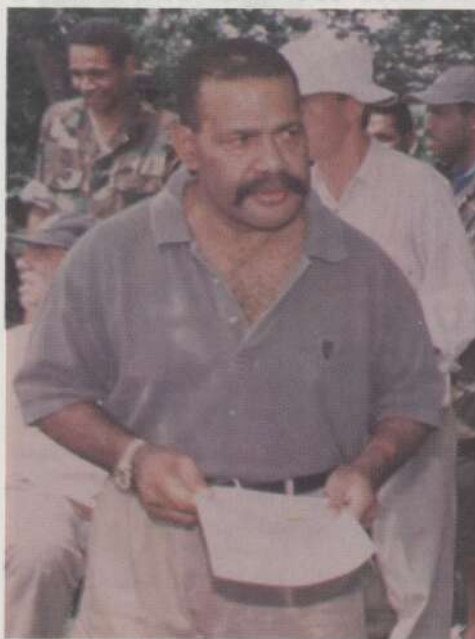
He said his decision was not caused by Australian government influence, but admitted pressure from the Howard government over the mercenaries did have "something to do with the questions leading to it".

The commission of inquiry is led by National Court judge Warwick Andrew as chairman.

Singirok, Major Walter Enuma and the more than 4000 soldiers are represented by prominent PNG lawyer Peter Donigi while Sandline chief Tim Spicer was represented by Warner Shand lawyers and Sir Julius and his two ministers by Solicitor General Francis Damen. ■

Singirok

-I'm no hero



Singirok ... "I did what I thought was best"

By **SAM VULUM**

Deposed military commander Brigadier-General Jerry Singirok, the man who sparked what is seen as PNG's most serious crisis since World War 2, said on March 26 he did not want to be seen as a hero for his role in the mercenary crisis which led to Sir Julius' resignation.

The man, who was involved in negotiations for the engagement of Sandline International from day one, suddenly changed his stand, making his country's leaders sound, at best, like gullible novices and, at worst, like crooks.

In an unprecedented move on March 17, Singirok announced on national radio that he had ordered that the Sandline contract be suspended and called on Prime Minister Sir

Julius, his deputy and finance and planning minister, Chris Haiveta, and defence minister, Mathias Ijape, to resign. He said the hiring of Sandline brought into question the issues of sovereignty and the credibility of the PNGDF and its own professionalism which he said the government had greatly undermined.

"I cannot remain silent for long as there have been many false and misleading statements made by both the prime minister, his deputy and defence minister to the public about the engagement of Sandline and furthermore I've detected long-term implications to the nation if we allow this government to continue to be engaged with Sandline.

"It is wrong to hire Sandline on Bougainville at a price which could re-equip and boost the morale of our security forces who for the past nine years have managed to contain the uprising given the depleted resources, personal sacrifices and lack of funding ... from successive governments." He highlighted that the contract had "major flaws" and called for a commission of inquiry into the

government's dealings with Sandline. Singirok, who had repeatedly spoken of his Christian principles, told reporters during the heat of demonstrations that he took the stand as a citizen, not as a commander of the armed forces or as a politician.

"A major issue of this volume had to come. What's happening out here on the streets and around the country is the result of cries of millions of Papua New Guineans who have not seen services out in the provinces."

Asked if he would back down, he said: "It would therefore not be proper for me to sit back and allow certain members of the ministry to use their public office, position and status for the purposes which are clearly inimical to the principles of a democratic government as applies in the constitution. It is therefore only logical that I cannot back down on the call for this prime minis-

I'm no hero - Singirok

ter, and the ministers who are implicated, to resign." Addressing a media conference, he said he had been forced to reveal the full contents of the contract between the government and Sandline. The contract details the extent and cost of Sandline's provision of mercenary soldiers and military equipment and the conditions under which it would operate in PNG. It is understood that one of the major grievances among soldiers was the payment of approximately \$US100,000 (\$A127,500) each to the Sandline mercenaries for their three months' work compared to the K200 (\$US124) a month received by the average PNG soldier. Commenting on Sir Julius' resignation, Singirok said he took a calculated risk in speaking out against the PM's plan to send mercenaries into Bougainville. He said every PNG person, including Sir Julius and other politicians, had emerged from the crisis a winner.

"I'm committed to the cause. I think it was a calculated risk that I have taken but I want Australians to understand that I have saved a major disaster, a compromise in our democracy by allowing ... Sandline to come into Papua New Guinea," Singirok said.

"I do not want people to see me as a hero ... I saw what the government was trying to do as a major, major disaster in the history of our nation so as a responsible commander I did what I did. It is not an issue of power or glory or heroism, I did what I thought was best for my country."

Singirok also said the PNG governor-general, Sir Wiwa Korowi, had spoken prematurely when he called on him to leave his home at the military barracks in Port Moresby.

He said he had tried to phone Sir Wiwa after hearing his comments, with no success.

"I am still a military officer, I don't have alternative accommodation, I've got a house in the military barracks, I have no other place to go - it's as simple as that," Singirok said. He would not comment on speculation that he would face charges of treason, and said he would wait until the new prime minister released new terms of reference for an inquiry into the Sandline contract before responding to that. ■

COVER STORIES

Enuma

-of few words and quick action

By SAM VULUM

Amid all the division and confusion in the Papua New Guinea Defence Force following the sacking of former commander Brigadier-General Jerry Singirok, one man stood out.

He was Singirok's henchman Major Walter Enuma, a hero among soldiers and the public during the heat of the crisis. Enuma was the commander of operation *Rausim Kwik* (remove quickly) which was responsible for the successful deportation of Sandline International mercenaries on March 23. Following the deportation, Enuma declared himself in control of the country's armed forces and warned there would be confrontation if there was any attempt to disarm them. Enuma told reporters that he and the entire 4600-strong PNG Defence Force (PNGDF) were loyal to Singirok who had to be reinstated to avoid "a chaotic situation".

He was speaking from the grounds of PNG's military headquarters in Port Moresby, the Murray Barracks, only hours after a car belonging to Colonel Fred Aikung, appointed by Prime Minister Sir Julius Chan as acting military commander, had been fire-bombed. The car was left outside the barracks as a clear warning of looming trouble. Aikung was replaced after only days in office by chief-of-staff Colonel Jack Tuat as acting commander.

Enuma said a party of soldiers had been sent by Sir Julius to "neutralise" him, but the soldiers had been disarmed and were now loyal to Singirok. Enuma accused Aikung of corruption and said no defence force personnel were taking orders from him.

"I decided to take a strong stand on the very important issue of corruption and of national security," he said. Asked if he was



Enuma ... "I am in control"

in command, Enuma, surrounded by soldiers, replied: "I am in control, we are in control. The general is not in control because he has stepped aside," he said, referring to Singirok who stood down after being dismissed by Sir Julius.

"The reason I am in control is because of the character of the situation that has developed. There is no way the guys in the headquarters have control of the troops."

Enuma said he had personally ordered and supervised the departure of about 50 of the remaining mercenaries.

The mercenaries were escorted aboard of chartered jet and flown out of Port Moresby after three days of rioting, looting and street demonstrations. Enuma may be a man of few words - but his actions have helped turn a nation on its head. Known as Major Mad Eyes by some of his men for his penetrating gaze, Enuma has emerged as a major player in the PNG political crisis. When Singirok said that he had accepted his sacking by the government, the crisis appeared to be under control. However, a resolute Enuma appeared on local television that night saying he was in charge of an operation directed by Singirok to expel the mercenaries - an order which he fulfilled. Whether Enuma has more sinister designs or is simply stepping into the breach to control an increasingly unruly army is unclear. However, his record suggests that Enuma is more interested in order than anarchy. When he was in charge of the army's South Bougainville forces in

Enuma-of few words and quick action

1994 and 1995 he helped restore a semblance of peace and order unseen in the area since the secessionist conflict began nine years ago.

He co-operated with traditional leaders and invited the Foundation for Law, Order and Justice to run conflict resolution courses which were attended by soldiers, rebel fighters and military-backed resistance fighters.

He also established a good relationship with the then rebel leader of southern Bougainville, Paul Bobby.

In 1992, Enuma led successful strikes deep into Bougainville Revolutionary Army territory with a contingent of only five men to show the rebels that the army could strike anywhere.

Despite many rebels being killed he was respected by the BRA for not being a murderer but a "disciplined soldier of war", the report said. Major Enuma or Ace was one of a gang of five that masterminded and executed the 10-day mutiny. For the five, in the proper military language, it was Mission Accomplished.

They forced the revocation of the Sandline International contract, the deportation of Sandline's 70 mercenaries, the setting up of a commission of inquiry to investigate any wrongdoing in the Sandline contract and eventually, the removal, of Sir Julius, Chris Haiveta and Mathias Ijape.

The identities of the other members of the gang are Renegade (Singirok), Terminator (Corporal Allen), Skull (Captain Belden Nama) and Eagle (Major Gilbert Toropo, head of the Special Force Unit that was trained in Wewak by the mercenaries). ■

COVER STORIES

The Sandline saga

By **SAM VULUM**

It has become public knowledge that the Papua New Guinea government had lied in saying that the engagement of Sandline International was not directly intended to wipe out the BRA rebel leadership in Bougainville but only to train PNG soldiers.

Sir Julius, however, had indirectly admitted on various occasions that the aim of the exercise was to wipe out the BRA leadership on the island.

This was further confirmed in the contract, signed by the government and Sandline International on January 31. The contract required the company to provide personal and related services and equipment to:

- train the state's Special Force Unit in tactical skills specific to the objective (to neutralise Bougainville rebels);
- conduct offensive operations in Bougainville in conjunction with the PNG Defence Force;
- render the BRA militarily ineffective and repossess the Panguna mine; and
- provide follow-up operational support, to be further specified and agreed between the parties and subject to separate service provision levels and fee negotiations.

The more than 70 Sandline mercenaries have since left the country after the suspension of the contract by the government.

However, PNG security forces detained and charged their chief, Tim Spicer, for being in possession of firearms.

The DPP later dropped the charges and Spicer left the country after giving evidence to the Sandline inquiry.

The 44-year-old former Scots Guards officer had earlier pleaded not guilty to two firearms charges when he appeared in court.

A request to have his passport returned failed, despite a plea that he be allowed to travel to Hong Kong for medical reasons.

After leaving court, Spicer told journalists he had no regrets about having entered into the mercenaries contract with the PNG government.

"I am not particularly concerned about my self image," he said.

"I don't particularly have problems with what I do. I don't have a problem with what my company does.

"We try to do things in a reasonable manner within our technical profession.

"We try to assist governments that need our help and that's all I really want to say about it."

While refusing to elaborate on what his company was contracted to do in PNG, Spicer admitted he never anticipated the reaction that has occurred.

"I think the situation took us all by surprise [but] I don't want to get into a debate about the rights and wrongs of the issue."

Spicer denied having any regrets about embarking on his PNG adventure but agreed "it hasn't been a roaring success".

He said he was happy to testify at the inquiry.

"Obviously, it is in the interests of the country and it is in our professional inter-



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COVER STORIES

ests to assist them in any way we can," he said.

A veteran of the Falklands, the Gulf War and Bosnia, Spicer reportedly established a formidable reputation during his British Army service.

His most recent role had been as senior aide to the commander of the United Nations peacekeeping force in Bosnia, Sir Michael Rose.

Previously, he had commanded the First Battalion Scots Guards, had been an operations officer in the Falklands and had reportedly served in Northern Ireland before that where two members of his regiment were jailed for life for the murder of a civilian.

In 1995 he joined Sandline and earlier this year began his tumultuous association with PNG when he signed a contract with the deputy prime minister, Chris Haiveta, to provide 70 men, helicopters and other military paraphernalia to fight rebels on the island of Bougainville.

Under the nom de plume of "Mr Brown" he checked into a Port Moresby hotel and until last week had been going very quietly about his business.

With the outburst by former PNG Defence Force commander Jerry Singirok against the mercenaries and his government, life became complicated and Spicer and his men were duly taken into custody by the soldiers they were training.

Under the contract, Spicer and his operatives became "special constables" and, as such, were permitted to carry weapons, had powers of arrest and the virtual run of the country.

But a problem arose when former Prime Minister Sir Julius Chan suspended the contract and, with it, Spicer's right to carry his gun.

As had been widely suggested before the court case, the charges against Spicer served to act as a mechanism to keep him in PNG until he gave evidence to the prime minister's commission of inquiry into the Sandline contract.

Meanwhile, AAP reported that severe civilian casualties could result from the use of mercenaries on Bougainville, according to a South African guerrilla warfare expert familiar with mercenary company Executive Outcomes.



Spicer ... no regrets

Jan Breytenbach, a former colonel with the South African army, told AAP that linking a military objective with profit meant Executive Outcomes' chairman Eeben Barlow, would use whatever means were necessary to end the Papua New Guinea mission as soon as possible.

With Bougainville's difficult terrain and a profit motive to get the job done quickly, Breytenbach said the inevitable outcome would be a reckless fireforce strategy with indiscriminate killing of men, women and children.

"I think the sort of thing they will have to do is fly in with helicopters and shoot up the people and force them to flee," he said from his home in South Africa's Eastern Cape region.

"There is almost an open invitation to sort it out as quickly as you can with as much firepower as you can...it means, basically, they're going to climb into civilians and shoot the hell out of them.

"This is the scenario that I foresee. I may be wrong, but I can't seem them fighting the war in any other way because Bougainville might look small on the map but it's big on the ground."

Breytenbach said the PM would avoid a possible civilian disaster if he cancelled his \$US36-million contract.

Breytenbach, 64, retired in 1987 after 37 years in the South African military. He trained guerrillas, established South Africa's elite and feared Special Forces in

1970, and led forces in which Barlow later trained as a soldier.

He stressed an indiscriminate fireforce strategy was never used when he led forces in southern Africa. He said the standard practice was to establish OPs, or observation posts, in enemy territory which allowed precision targeting of guerrilla hideouts.

The retired colonel was instrumental in leading South Africa's so-called anti-communist Bush War, waged over the 1970s and 80s, spanning Angola, Zimbabwe and Mozambique and in the 1970s he also commanded the 32 Battalion, a specialist unit of elite soldiers operating behind enemy lines in Angola.

That was the unit in which Barlow trained as a soldier under Breytenbach's successor, although Breytenbach said he had met Barlow and knew past and present Executive Outcome personnel.

"[Barlow] was part of the reconnaissance wing of 32 Battalion. He was a good soldier, he could do his job in the field," Breytenbach said.

"When he was operating as one of the officers... he had to operate quite deep behind enemy lines."

Breytenbach said that in Angola in the early 1980s Barlow was instrumental in setting-up ambushes of convoys, destroying military equipment, cutting communications and supply lines. He was also an excellent gatherer of information on where enemy forces were deployed.

"He was very professional in that regard and he inflicted quite a lot of damage," he said.

"I've met him only once but we spoke extensively because I was writing a book on the 32 Battalion.

"When I met him I had the impression that he was a go-getter, but he was after money, you see, to become as rich as possible in as short as possible a time. A cynical, hard-nosed business type."

Executive Outcomes has been previously accused of pre-emptive helicopter strikes in Sierra Leone and Barlow, 40, characterised as leading a hired-guns killing force available to the highest bidder.

But he has previously denied any indiscriminate mass killings during Executive Outcome operations. ■

COVER STORIES



Looters take to the streets during the chaos of the riots in Port Moresby

A saga of corruption and shady deals

By **SAM VULUM**

Growing frustrations and resentment by Papua New Guineans over the government's incessant "secretive and suspicious" deals have been building up over the years and only needed a major disturbance to ignite a flare-up.

The recent civil unrest was a direct result of the people's frustrations, sparked by the sacking of former military commander Brigadier-General Jerry Singirok for refusing to work with Sandline International mercenaries hired by the government to crush the eight-year-old Bougainville rebellion and his call for the resignations of Prime Minister Sir Julius

Chan, his deputy and Finance Minister Chris Haiveta and Defence Minister Mathias Ijape over the contract.

The public was frustrated with suspicions, rumours and innuendo of corruption surrounding contracts such as the Cairns property, Port Moresby water and Poreporana freeway deals.

Many could not see the rationale behind the fact that while the government was hellbent on borrowing much-needed funds from the World Bank, International Monetary Fund and other offshore financial institutions to bail out its ailing economy on the one hand, on the other, it could afford to spend millions of dollars in engaging Sandline.

But more disturbing, though, is that the contract is open ended and leaves the state

open to pay millions of kina of people's money in penalties and other contractual obligations. The \$US36 million was reported to have been paid to Sandline International. Part of the money, K42 million, was reported to have been confiscated by defence force officials during a search of the company's chief executive Tim Spicer in Port Moresby. However, the officials have expressed concern that the government may have issued directives to cancel it and reissue a new one. Indications are that the cheque for K24,557,534 was the second payment of at least K42.6 million to engage the Sandline consultants as well as purchase of the equipment.

In February, Deputy Prime Minister Chris Haiveta was reported to have hand-delivered another cheque for K8 million to Sandline representatives in Hong Kong.

Singirok said the \$US36 million was for a three-month contract, but because the mercenaries were likely to remain in PNG for up to 12 months, the real cost would have been K120 million. He suggested some government officials involved in the contract may have profited from underhand dealings. Singirok received nationwide support.

For three days, the nation's capital, Port

COVER STORIES

Business-but not quite as usual

By SAM VULUM

Moresby, came to a complete halt as the political crisis turned into civil disorder with widespread looting and violence. Riot police reinforcement were flown in from the Highlands provinces to help control the situation in Port Moresby, blocking off roads and guarding major shopping centres, banks and government offices, including a 24-hour guard of Parliament House.

The mayhem, which had cost the city millions of dollars to repair, forced banks, schools, and shops to close.

The chaos erupted outside the gates of the military headquarters at Murray Barracks, following a gathering of some thousands of city residents organised by non government organisations and unions to protest over the government's sacking of Singirok on March 19.

Violent protests and looting ensued but police acted quickly to get the situation under control. However, the situation took a dangerous turn on March 20, when confined soldiers inside their barracks were injured by rubber bullets and tear gas fired by riot police. At least 14 people were seriously injured in the rioting. Angry soldiers tried to respond but a nearby weapons armoury was locked. The firing of tear gas and rubber bullets was intended for rioters who fled into the barracks. During the incident, three men were wounded by rubber bullets and another had his arm severed with a machete. The man had been reaching into a store to steal something when a security guard inside the building struck him with the machete. On March 22, more than a hundred people gathered outside the gates to the barracks but were dispersed by police. Then the rioting spread across the country, mainly to Lae, Goroka and Mt Hagen.

The situation returned to normal in Port Moresby on March 22 with buses back on the road and shops opening for business. However, on March 25 thousands of civilian protesters supported by armed military personnel blocked roads leading into and out of Parliament House as the house sat to decide the fate of Prime Minister Sir Julius Chan.

The protesters, who staged an all-night vigil outside the Parliament House, returned peacefully to their homes following Sir Julius' announcement to step aside. The people's outrage exposed a fundamental problem with the country's economy. ■

While many business houses are reviewing their future in Papua New Guinea following the recent political crisis, one major player in the steel processing industry shut down its operations fearing for the safety of its employees. Stocks related to PNG revealed mixed reactions on March 21 when reports of rioting and looting spread from Port Moresby to Lae, Mount Hagen, Goroka and Kundiawa.

And amid all these, the Investment Promotion Authority has assured investors that the recent events had no effect on the economy with the kina remaining stable. The PNG Chamber of Commerce and Industry said on March 27, amid celebrations to mark the end of the 10-day stand-off between protesters, soldiers and the government, that a number of business houses were reviewing their operations to decide whether they should continue in PNG or leave.

Chamber president Michael Mayberry told *Post Courier* that while many firms were reviewing their operations, the costs incurred by businesses continued to rise. Mayberry declined to comment when asked if any of those businesses were members of the chamber, adding that the chamber's members had been asked to be calm. He said although the organisation was concerned about the rising costs from the loss of business, they were also concerned about any possible impact on the value of the kina.

Retailing giant Steamships Trading Company, which has several business divisions in the National Capital District, said that while the events had been disruptive to its operations, it was hoped that the effects would be short-lived and trading patterns would return to normal.

Managing director Chris Pratt said, "Obviously, during times of uncertainty, people defer discretionary spending and there has been a negative impact on the group's automotive and hardware division."

Australian mining giant BHP Company Limited had shut its Port Moresby processing centre in PNG. BHP chief John

Prescott was reported on March 24 as saying that the steel processing centre had been shut down and 10 to 15 employees had been evacuated. But he said the situation at its giant Ok Tedi copper mine was normal.

Prescott made the comments days before BHP Steel's warehouse in Lae was burnt to the ground in a suspected arson attack.

The destroyed property included an administration block, storage area, workshop and a container truck.

The situation, however, did not worry Anglo-Australian miner RTZ-CRA, which indicated that conditions were still conducive to foreign investment.

RTZ-CRA chief executive Leon Davis said, "The laws of the country are still conducive to foreign investment but what is happening in Bougainville and the central government of PNG is of obvious concern to us."

The miner's assets include its 53.6 per cent shareholding in Bougainville Co Ltd (BCL) and a 17 per cent stake in the huge Lihir gold mine, which is scheduled to start production before the end of this year.

BCL was the former operator of the giant Panguna copper mine on Bougainville, which was shut down in 1989 because of the activities of the Bougainville Revolutionary Army. Davis said the investment in BCL was still important for RTZ-CRA.

"It's still a very, very important asset ... and we would still like to go back there," Davis said. He said reopening the mine was not a lost cause but it would take a political settlement to do it.

Commenting on the crisis, Oil Search Limited, a PNG-based oil group with offices in Sydney, said it would keep its offices in PNG open despite the unrest.

"Our view, and I think we share it with other operators, is that we don't see it as necessary to evacuate our staff," managing director Peter Botten said.

"There have been no problems at all with our production and exploration and, at the present time, the level of tension is really only restricted to Port Moresby."

Placer Pacific Ltd spokesman Ian Williams said the company continued to monitor the situation, but "at this stage we have no plans to evacuate the staff". ■

■ ECONOMY

Marshall Islands struggles with declining economy

Stories and photography by **GIFF JOHNSON**

In December, the rains stop falling and the trade winds gust, blanketing the islands with a gritty salt spray that shrivels foliage and stunts the fruit crops.

The period, which in the Marshall Islands runs through April, is known as *anenean*.

By May, the trades ease to a gentle breeze and the rain pours: the flowers bloom, breadfruits, pandanus and bananas ripen, and the fish are plentiful in the calm lagoons. The season of *rak* has arrived.

The first eight years (from 1986) of the Compact of Free Association with American were like *rak* for the Marshall

Islands. Money flowed, government-funded projects flourished, the business service sector grew. But the Marshall Islands dependency on aid from Washington, DC has now turned the economy into the season of *anenean*: a time of belt-tightening, government cutbacks and private sector layoffs.

Most of the government investments tried in the late 1980s and early 1990s didn't pan out, leaving the Marshalls in the unenviable position now of having to fork out close to one-third of its national budget annually to pay off its foreign debt while almost no income-producing industries are in evidence.

The Compact brought a boom to the Marshalls economy when the first injection of aid began arriving in 1986. But it

was primarily a boon to the government and service sector activities such as restaurants, taxi companies, retail stores. While the government payroll skyrocketed from a pre-Compact 1985 figure of \$US10.9 million to more than \$US22 million 10 years later, little was happening in the productive sector to enable this watery nation of 60,000 people to wean itself from the large American aid package, which expires in 2001.

The compact was intended to give the country up-front capital to develop needed infrastructure and fund business initiatives that would make the nation more self-reliant. Solid infrastructure – power plant, docks, communications, air service – was put in place by the government.

Scant progress, however, has been made on productive industry. US officials won't go so far as to admit that the Compact is an economic failure, saying that there are still several years to go. The Marshall Islands has blamed the US for removing key tax and trade incentives from the Compact (agreed to by both US and Marshalls Islands negotiators) just

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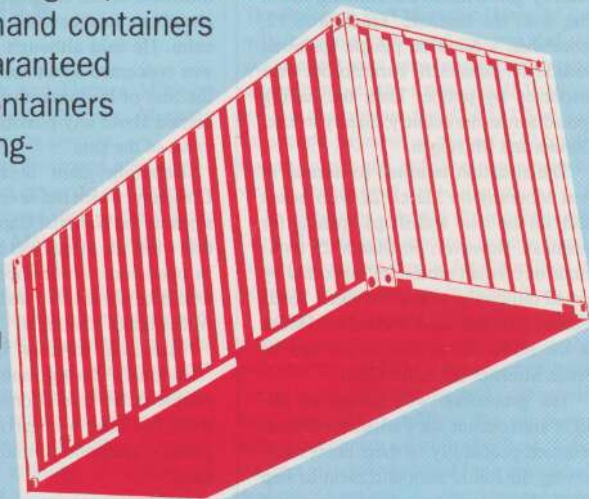
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before approving it in 1986 that hurts its ability to attract foreign investors and undermined its potential for serious private-sector development.

As the Marshalls government workforce was growing to close to 2400, the Compact funding was declining. Every five years, a built-in step-down cut Compact money by \$5 million. By 1995, as the Marshalls was looking at the second step-down and the impending end of the Compact, it was clear that drastic measures were needed.

The word from outside donors was crystal clear: unless the Marshalls cut government expenses and improved the environment for the private sector to prosper, donors were not going to be forthcoming with aid. In 1995, the government opted for an austerity program endorsed by the Asian Development Bank, which has become a major player in the economy in the 1990s – from injecting upwards of \$US50 million in loans and technical assistance, to funding a resident policy advisory team that is assisting the government to implement a range of financial reforms.

"Government expenditure has been reduced from around \$US100 million in fiscal year 1995 to a projected \$US65 million in 1997," Finance Minister Ruben R Zackhras told the Consultative Group meeting of donors late last year. This remarkable reduction was achieved by big cuts in development project spending, cuts in government workforce, phasing out or dramatically reducing subsidies to government and quasi-government agencies, a five per cent cut in salaries for government officials earning over \$US10,000, and reductions in the number of government ministries.

Government statistics give a sobering projection of what's to come. While the government spent \$US41.6 million on capital projects – infrastructure and development-related – in 1995, it will spend only \$US14.3 this year and by 2001 the budget for capital projects will be less than \$1 million. Revenues from the Compact will fall from \$US36 million in 1995 to \$US27.3 in the final year of the Compact.

A recent government policy paper observed that "real hardship will certainly result" from the government employee cut-backs unless the country gets assistance from outside donors. Because the Marshalls has launched the government reform programme, the ADB in January approved a \$US12-million loan, \$US5 million of which will be used to provide



Fishing ... an important means of revenue

monthly compensation pay cheques to the terminated employees for up to three years, giving these workers a cushion of time to get other jobs or start their own businesses.

"The next two to three years are going to be tough," said Christopher Browne, an International Monetary Fund official who is based in Washington, DC.

The urgency and necessity of developing income-producing industries has spurred an unprecedented push for tourism and, to a lesser extent, fisheries in the Marshall Islands.

"We believe that there is a bright potential for growth and employment generation in both tourism and fisheries," Zackhras said recently.

The key element, as the ADB and other foreign donors have emphasised, is to get the government out of the development business and into a mode of improving the environment for private sector growth. It is clear that most of the government-promoted development projects have been failures.

Air Marshall Islands jet service to Hawaii lost more than \$US40 million between 1990 and 1996, when it was finally terminated; expensive longline fishing boats purchased in the early 1990s with government development bank funds for local fishermen were a failure (one was recently repossessed for lack of payment on a loan and the others are used largely for charters, not fishing); the Marshalls tuna export industry is in the hands of Taiwan company Ting Hong, with relatively little revenue – other than shoreside jobs – accruing to the government from the mil-

lions of pounds of exports sent to *sashimi* markets in Hawaii and Japan; a government-funded milk-factory went bankrupt twice; a Chinese-built garment factory has remained idle for more than two years since it was built, as the two nations have been unable to come to terms on a deal for its operation (there are, however, recent indications that the Marshalls may have found an operator).

There are big opportunities for the private sector, and the government needs to deliver the right signals to encourage both local and foreign investors, the IMF's Browne said.

"The private sector is absolutely crucial to the future," he said. Privatising the government's hotel and shipping services, making the regulatory framework easy to understand, concentrating on infrastructure development, and establishing a friendly environment are all key points for the government.

In fact, the relative strength of the Marshalls' private sector is a major plus for the country.

Despite being essentially service-oriented, the Marshalls private sector is one of the most advanced in this region.

Out of necessity, the government is privatising and slashing subsidies. Its shipping service to the remote outer islands has largely been turned over to private companies, and subsidies to the electric and water companies were terminated, while subsidies for copra makers and Air Marshall Islands have been dramatically cut in the past year.

For the past several years, the development of nuclear waste storage has been a priority for the government. Government officials are eyeing potentially lucrative income that a nuclear waste storage facility – handling wastes unwanted by Asian nations – could generate.

How such a facility would affect attempts in tourism and fisheries development here is uncertain.

In March, recently elected President Imata Kabua said that since he took office in January, the "centrepiece" of his administration had been economic development and public sector reforms.

But, he said, since making his inaugural speech in January, "something of immense interest ... has begun to catch our attention. Tourism is a sector which, by the look of things thus far, may play a very significant role in our general economic development."

In fisheries, Robert Reimers Enterprises

Marshall Islands struggles with declining economy

— which operates the Pacific's only privately funded clam hatchery — has begun large-scale exports of clams to the American aquarium market.

RRE launched its clam hatchery in 1986 and, after nearly a dozen years of research and experimentation coupled with market surveys in the US, has stepped up production of a highly sought after clam species (*maxima*) to the point where the company is now breaking even and expects shortly to make a profit from export sales, according to company chief executive officer Ramsey Reimers.

Another mariculture project showing promise is pearl oyster farming. Both Robert Reimers Enterprises and a Hawaii-based company, Black Pearls, Inc are experimenting with black lip pearl oysters, an industry for which there is good long-term business potential, said Dale Sarver of Black Pearls.

Slowing the development of pearl farming in the Marshalls has been the difficulty of getting the investment funding for establishing a hatchery-based farm locally, Sarver said.

But after several years of work here, he said: "It'll happen. It may take longer to develop [because of the lack of funding for a hatchery] but it will happen."

Several investors are now seriously considering financing their farm in the Marshall Islands.

"There could be a significant industry here in 10 years," Sarver said.

The Marshall Islands has a long way to go. But if the government is prepared to continue to improve the environment for private sector activity, and throws its weight behind tourism and fisheries efforts that are largely business-driven, then this mid-Pacific nation has a chance to come out of the 15-year Compact with something resembling a productive economy.

Regardless, the Marshalls will continue to rely heavily on foreign aid for the foreseeable future: but whether the United States, other governments and international donors are prepared to give that aid after the year 2001 will likely depend largely on what the Marshall Islands does for itself in these next four years. ■

■ ECONOMY

Marshall Islands' tourism takes (scuba) dive

Optimism. That's the operative word among tourism promoters in the Marshall Islands these days. It hasn't always been like this. This is a country that's been lucky to have five or six hundred tourists arrive in a year.

In 1996, however, overall tourist statistics jumped by 60 percent; the number of scuba divers heading to Bikini will triple this year compared to last year; the first package tour of sports fishermen from the United States arrived in March, with more to follow; and a joint effort by Continental Micronesia and Taiwanese package wholesalers is attempting to develop the Marshalls as a destination for Taiwanese visitors.

Sure, for this North Pacific nation's economy as a whole, tourism is still the equivalent of a six-room motel on a backroad. But the government is putting some teeth in its tourism marketing, and with support from the Asian Development Bank and expansion of local facilities and package tours, the Marshall Islands finally has something with which to lure visitors.

Before concluding its session in March, the Nitijela (parliament) approved legislation creating the Marshall Islands Visitors Authority as an independent body

directed by a board that is dominated by private-sector representatives. "The government is firm in its commitment towards securing the necessary investment for developing this industry and to creating the ideal environment and conditions for its growth," President Imata Kabua said in a state of the nation address to the parliament the day that the visitor authority was established.

"Although our tourism sector is relatively young, it has already demonstrated the capacity to generate as much as \$US4 to \$US6 million a year", he said.

"Estimates indicate that the number of visitors per year can increase from last year's 6000 to 15,000 by the year 1999."

ADB tourism adviser Jan Bjarnason says that 15,000 tourists a year by 2000 is more than possible. "We're focusing our marketing on tour

wholesalers in a systematic way," Bjarnason said.

Previously, there was no system for dealing with tour operators' inquiries and, likely as not, any letters or calls went unanswered, as sure a way as any to torpedo a visit industry.

With the Visitors Authority in motion, it now receives many inquiries from wholesalers about possible tour options, Bjarnason said.

"Before, nobody did any marketing



Fabio Amaral supervises a dive programme at Bikini, an important tourism potential

Marshall's tourism takes a (scuba) dive

because there was nothing to sell," Bjarnason said. Now, Marshall's Dive Adventures has scuba dive programmes operating on Bikini, Mili, Arno and Majuro atolls, the Honolulu-based Outrigger Hotels is managing the government's 150-room hotel in Majuro and is promoting the Marshalls through its established network and, for the first time, Continental Micronesia is promoting the Marshalls as a destination, Bjarnason said.

Scuba diving, big game fishing, water sports and World War II relics are the main attractions that the Marshalls has.

"Because of its distance from major visitor markets (in Asia and the United States) and the relatively high expense of getting here, the Marshall Islands must offer something unique to attract visitors," he said.

At the top of the list is Bikini, a scuba diving Mecca where a fleet of World War II vessels sunk by an atomic bomb awaits divers, Bjarnason said. Sportsfishing here isn't unique, but it may be as good or better than in other locations because of the variety and volume of fish, he said.

In other places (such as Hawaii), "anglers can go for several days without a strike", Bjarnason said. "Here, the variety is incredible and you'll catch many different fish, not just marlin."

On the World War II front, because of the large Japanese military presence before and during the war, "the Marshalls probably has more (war relics) than any other Pacific country".

Shipwreck diving is a major market and, if that's your interest, then Bikini has become a must dive. Among other attractions, it has the world's only diveable aircraft carrier. The *USS Saratoga* sits in 150 feet of water inside Bikini's lagoon, with fighter planes still intact in its belly.

"It's the best wreck diving in the world," says Bikini divemaster Fabio Amaral, a Brazilian who supervises the deep dives at this distant atoll for Marshall's Dive Adventures.

"I've dived on the *Saratoga* 150 times and I still haven't seen it all. The *Saratoga* alone is a world attraction, but we've got nine more battleships and submarines."

These were part of the fleet used as target ships for the second atomic bomb at Bikini, an underwater blast, in 1946. US scientists have confirmed that the ships

present no radiation hazard to divers, and even the island of Bikini – where Marshall's Dive Adventures operates air-conditioned rooms, a restaurant and other amenities for divers – is safe as long as you're not eating locally grown foods.

"When I told my partner in Brazil that I was going to Bikini to start a dive operation," Amaral said, "he told me: 'You've just won the lottery! It's not the money, but we're on the cutting edge of the scuba world here.'"

The most important feature about Bikini, Amaral believes, is that the atoll hasn't been touched by humans in 40 years. Off limits since the 23 bomb tests ended in 1958, it only opened for diving last year after more than 20 years of scientific research demonstrated the safety of Bikini for the dive operation.

"You hear 'how-it-used-to-be' stories everywhere you go," he said. "Come to Bikini, it's like it was 40 years ago. There are big manta rays, turtles, silver-tipped sharks."

Indeed, with only a handful of regular residents on the atoll, the lagoon is so fish-filled, that during a recent trolling expedition, we encountered a school of *mahi mahi* inside the lagoon and, putting three lines out, continuously had three fish hooked until we filled a cooler in less than an hour.

With a modest start in 1996, the Bikini dive operation already has triple the number of divers booked for 1997.

Bikini in the last year has received widespread publicity in magazines, newspapers and television – and for the first time the focus is not on bombs and radiation.

Bikini local council official Jack Niedenthal said that the dive operation gives the Bikinians the chance to tell a positive story about not only Bikini's future but the Marshall Islands as a whole. "It's good for the whole country," he said. With foreign divers overnighing in Majuro hotels enroute to and from far-flung Bikini, there are obvious economic spin-offs.

Marshall's Dive Adventures and others hope that the 'hook' of Bikini will draw interest to other pristine dive locations in the Marshalls, such as Arno and Mili atolls that are near Majuro. Amaral observed that on a recent dive expedition to Arno – about an hour's boat ride from Majuro – "we saw so many sharks that we stopped counting". For many dive enthusiasts, that is music to their ears. ■

■ ECONOMY

Reaping the benefits

New Marshallese president eyes personal financial gain



Kabua ... "I have a right to my land"

By BERNADETTE HUSSEIN

The new president of the Republic of the Marshall Islands is positive that the move to make tourism a major income earner in his country will do well. President Imata Kabua said the Marshall Islands had a lot to offer in terms of diving and fishing and was something which most tourists found attractive.

In an interview during his visit to Fiji in March, Kabua said they hoped to achieve this by bringing the private and public sectors together and work out an attractive plan.

"We have in mind hotels, diving resorts and fishing and, of course, as we near the expiration of the Compact of Free Association, we will have to get ourselves ready to survive without

Reaping the benefits

that," Kabua said.

And the major focus of developing the tourism industry would be on Majuro, Bikini, Kwajalein and the Mili atolls, he said.

"I don't think it [Bikini's nuclear past] will be a problem; neither on Bikini or Kwajalein.

"In fact, it isn't a problem because already we have a large number of people going to Bikini to dive. All we need is to make a proper dive resort."

And, more controversially, Kabua believes, that being a landowner in the region, he is entitled to its financial successes.

Earlier in March, Kabua had been interviewed by Nicholas Kristoff, for *The New York Times* in the US, on a number of issues regarding Bikini and its people. In his article, Kristoff accused Kabua of being a drunkard and foul-mouthed – accusations which Kabua strongly denies.

"You see, that reporter broke his code of ethics because he interviewed me when I was drunk but that doesn't mean I am a drunkard, no. I enjoy a drink and I think the reporter took advantage of this."

During the interview, Kabua allegedly said that he wanted a third of the Bikinians' revenue.

"What revenue is he talking about? I don't know anything about any revenue from the Bikinians. But I do have land interests on Bikini and because of this I am free to do whatever I want on my land.

"My grandfather and father were landowners and so am I. So why do I need to tell the people what I want because the land is rightfully mine?"

Did this mean he was going to claim the land back from the people and develop it for other purposes. "Why do I have to claim it? It is mine and I am going there to live. I do not

need anybody's permission to do so. If I want to build a dive resort or whatever I want, I can – and nobody has the right to say anything."

The article also said that Kabua had demanded that the people of Bikini build him a "fine new house".

"Yes, I did. I wrote a letter and told them to build me one. The people of the Marshall Islands built one for the speaker and the senator – and I want one too.

"The people who built these houses are from the islands where the two people are landowners. Their people built these houses for them because they have these titles and positions. So what was wrong in me asking the Bikinians to build me one too?"

"The house is to be built on Ebeye. The local government built one for the speaker and for the senator, and when those two people die the houses are going to remain with the family, not go to the next person."

Kabua said, keeping these things in mind, he wrote to the mayor and the council of Bikini. They still have not responded.

"People should stop building houses for people only because they hold such high place in society. If they want to, they should build only if he has a land right on one of the islands. In that respect, I don't think they should build a house for me as president – but as a landowner.

"Everyone has a right to speak and express themselves, so I have a right to my land."

As for Kabua's "foul mouth", Kristoff's article stated that the president swore when questioned about the attitude of the Bikinians. Kabua, however, denies this.

"It is a lie because I did not swear at anyone."

According to *The New York Times* article, Kabua said that if the Bikinians resisted, he would sue them to gain access to some of their money.

"What money? I have no idea what money he kept referring to. Besides, I do not have to sue them because it is my land and I have more right to it than they do.

"But what I will say is that any revenue which comes from the land in terms of business or development, I have a right to because it is of course coming from my land." ■

■ NEW CALEDONIA

A S African style option

Reports and photographs by
KALINGA SENEVIRATNE
in New Caledonia

"If our leaders, FLNKS and RPCR, want no self-independence in 1998 but carry on for another 20 years or something like that – I don't know how many years – then they must tell the people. The problem is they organise secret meetings – we don't know what happens, the people are confused," says Nicole Waia, manager of the Kanak-run Radio Djiido here.

Waia's comments perhaps reflect the mood of most New Caledonians today, as the French colony approaches the deadline set in the 1998 Matignon Accord to hold a referendum on independence in 10 years.

All parties which signed the accord – the Kanak Independence movement, the Front de Liberation Nationale Kanak et Socialiste (FLNKS), the pro-French right-wing party Rassemblement pour la Caledonie dans la Republique (RPCR) and the French government – are now reluctant to go for the independence vote as agreed to in the 1998 referendum.

"If we go through this vote, there is a risk for the population ... we can go into a cycle of violence," Rock Wamyton, the president of FLNKS told *Pacific Islands Monthly*.

RPCR's National Congress member, Jean Claude Briault, agrees. "If the referendum is held, there will be probably 60 to 70 per cent of voters in favour of maintaining New Caledonia in the French Republic; only 30 to 40 per cent for independence. My thought is that it will be a step back," he told *PIM*.

This is a view Wamyton seems to share. Even though he believes 80 per cent of the Kanak population support independence from France, he admits that the FLNKS has not been able to

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A S African style option

convince the others. "The problem is the electoral role because the electoral role of 1998 is not beneficial to the independence movement," he says. "That's why we decided two or three years ago to try and find a solution that avoids this referendum of self-determination."

This solution which the FLNKS is looking for seems to be something similar to the power-sharing arrangement South Africa's Nelson Mandela's African National Congress (ANC) was able to work out with the then president F W de Klerk's National Party.

A National population survey conducted last year by the Institut Territorial de la

already have democracy in New Caledonia "with everybody having the same rights", and two of the three provinces – established by the Matignon Accord – are already ruled by the FLNKS.

FLNKS leadership's reluctance to push for an independence vote in 1998 and their willingness to enter into negotiations with RPCR about a possible coalition government, perhaps in "Free Association" with France, has angered many Kanak nationalists whose militant action in the early 1980s was instrumental in pushing France and the RPCR onto the negotiating table with the FLNKS.

"For me, as a Kanak woman, as a Kanak journalist, as a Kanak militant, how can I explain to the people, 'Listen Kanak peo-

independence, so they are talking with RPCR to set a vote for independence," observes Pierre Chauwat, an executive board member of USTKE, New Caledonia's biggest labour union.

USTKE was a member of FLNKS when the Matignon Accord was signed but pulled out of it in 1989. Chauwat argues that the FLNKS and RPCR should not try to work out a deal on their own and force it on the people through what they call a vote of ratification. "You must not do things like that, you have to consult the people in debate and share the position," he says.

Chauwat adds that even many Kanaks are not keen on independence because there has not been much public debate about the issue here. "If you want people to support independence, you have to state what is contained in independence," he argues. "It's just a word today and people are very scared when they hear it because the right-wing parties have scared the people by saying, 'Well, if you become independent, it will be chaos.'"

This is a view shared by Josuah, a Papua New Guinean expatriate working here. "Some of the Kanaks are happy with what they've got here," he observed. "The French media here always show the negative side of life in the neighbouring countries – financial scandals in Vanuatu, government servants' pay cuts in Cook Islands, and people living behind barbed wire in Port Moresby. So the idea given is – this is what they'll get if independence is given."

When *PIM* spoke about independence to some middle-class Kanaks playing the French sport petanque on a Saturday afternoon in the Anse Vata beachfront in Noumea, most of them reflected this viewpoint.

"We will not be ready for independence until 2050 because we need to educate our people to run the government service and business. They need to get jobs and have experience before running the country," said Apen Bone, a sports administrator and trainer. "I went to Vanuatu, our closest neighbour, before independence and found the living conditions, the social conditions were better there. But now, after independence, they are coming here to find a better life."

As "the deadline for independence approaches, people are (becoming more) conscious that independence is difficult", said Gerald, a psychiatric nurse. "People who had a strong opinion on independence are now getting soft. The French government leaders were clever by giving money



Jacques Lafleur's power base, the South Province Administration Headquarters

Statistique et des Etudes Economiques (ITSEE) found that 44.1 per cent of New Caledonia's population of 196,800 were of Kanak (Melanesian) descent, 34.1 per cent European, nine per cent Wallisian (Polynesian), 2.6 per cent Tahitian, 2.5 per cent Indonesian and 1.4 per cent Vietnamese. While many Kanaks seem to support the FLNKS, most others – who make up the majority – are believed to be aligned with the RPCR.

"I think we can compare the model we are going to settle here with the model in South Africa," says Wamyton. But Briault thinks "it will be more correct to say that South Africa reached a solution like in New Caledonia". Briault argues that they

ple, the strategy is changing"? It's too difficult here for us," complains Waia, adding that the FLNKS leadership is not making an effort to use the media like Radio Djiido to explain their strategy to the people.

"We are here because of the people ... we can't ignore the people, especially the militants," warns Waia.

"When the FLNKS signed the Matignon Accord, they wanted a referendum in 10 years because they were sure that within 10 years they would be able to convince the non-Kanak population to support independence. What has happened since is that the FLNKS has been in power and left out the people who voted for them. Now they realise by referendum they won't obtain

INTERVIEW

To be or not to be ... independent

Kalinga Seneviratne talks to Jean Calude Briault
on the future

(These are edited excerpts)

PIM: Under the Matignon Accord there has to be a referendum held on independence by 1998, but even the Kanak leaders don't seem to be that keen on a yes-no vote. There seems to be a mood towards a sort of South African-style solution to it. So, would your party be looking at a coalition government with the FLNKS to rule New Caledonia after getting independence from France?

JCB: It's not exactly the question. The question is not to reach a coalition to lead the country. The question is what would be the situation of New Caledonia in the French republic. The coalition is existing now. For example, the province of the Loyalty is ruled by a coalition of FLNKS and one member of RPCR. It's already under way. Now the question is what could be the very next future for New Caledonia, and what could be the future after maybe 20 years. The problem of ruling the country together is today not a problem. For example, since 10 years, practically all the decisions in the Congress have been taken together. It's not a minority against the majority, etc. We try to vote the defence rules, budget or the taxes and so on through an agreement with the FLNKS. So the question is not to lead a coalition. We already rule the country together.

PIM: My understanding is that the FLNKS wants to break the colonial linkage with France. What you are arguing is that there is no need to break it?

JCB: I think New Caledonia is no longer a colony. Because the colonial links between a colony and a mother country are ruled by a sort of domination, which is not the case.

PIM: As a result of the Matignon Accord, the Kanaks who control the northern province have bought into mining ...

JCB: Please don't say Kanaks, say independentistes, because one-third of the Kanaks are in the RPCR. It's not a problem of Whites against Blacks here because, take my case – a quarter of my blood is Melanesian, another quarter is French, a quarter is Vietnamese and a quarter Indonesian. I'm not an exception. So we talk about the independentistes and non-independentistes. It's not a racial thing.

PIM: Well, the FLNKS controls the northern province where most of the mining is done. But the impression I get talking to their mining company, SMSP, is that they are not getting the full cooperation of the French government in developing the resources?

JCB: I cannot reply on behalf of the French government or the minister, what I can reply is ...

PIM: Let me add to it. The reason they say is probably the RPCR is pressuring the French government ...

JCB: We had an official debate in the congress about this proposal and officially we support totally the project for a new

nickle plant in the north. I think it's one of the solutions for the rebalancing of the economy in New Caledonia. Now the big tool in the mining field for the independentistes in the north is SMSP. And SMSP was formerly owned by Lafluer and he decided to sell because he promised to Tjibaou to have his people involved in a company dealing with international trading and so on. We support [this proposal] completely because we know the solution for New Caledonia is to balance the place of each community of each province.

PIM: People here, especially the middle class, seem to fear independence – they say that New Caledonia will end up like Vanuatu, Papua New Guinea or some of the other Pacific Island countries which are facing economic problems. Do you think that this fear is real?

JCB: It's not a relevant question at present. Two provinces out of three are already ruled by independentistes and Kanaks. The responsibilities of the provinces are very big ... They are responsible for economic development, for culture, health, social welfare – in a word, everything ... So, they really rule the province. They have reached not independence but [a] sort of internal autonomy close to independence. There are many people who are not independentistes [who] live in the north and Loyalty Islands and the relationship between all the people is better now than it was 10 years ago. There is a sort of feeling that all the people belong to the country. Formerly, people had trouble about this, but now they are sure in New Caledonia you have people who are black, white, mixed people, yellow. But all these people living in New Caledonia share the same future and they belong to Caledonia. So, the relationship is more peaceful, though sometimes we have in congress very animated debates. But it generally remains peaceful because we share the same future. The question is not if we have independence will it be a crisis for New Caledonia. The debate is more mature now: how to develop the economy. The problem for all the leaders ... is what to do to ensure each person one job and one home and, of course, the dignity of everybody. ■

INTERVIEW

A change of heart?

Kalinga Seneviratne discusses what is seen as a move by Vanuatu's Kanak population away from securing independence in favour of what may be a South African-style compromise with Rock Wamyton, president of the FLNKS.

(These are edited excerpts)

PIM: When the Matignon Accord was signed in 1988, it was seen as an agreement which might pave the way for independence from France in 10 years' time. But, today, it looks like everybody is talking about a South African-style compromise.

RW: The Matignon Accord was signed for 10 years; we are now one year away from the deadline and we are now dis-

cussing with all the partners of this accord, that is, the French government and RPCR, a solution for 1998. We decided two or three years ago to try and find a solution that would avoid this referendum of self-determination. In French we call it the referendum of ratification. Yes, I think we can compare the model we are going to settle here to the model in South Africa. It is necessary to [consider] all communities who have lived here for a long time. Kanak people are the first people of this land. We claim our independence, we claim our sovereignty, we claim our dignity. But it is important to give a definite place for all other communities. We have changed. It's not possible to exclude these communities. To make a new country for tomorrow, we need this population. So our role is to try and convince all that they can stay here, live together.

PIM: During the last decade or so, there has been a Kanak middle class which has developed, especially in Noumea. Many of them seem to believe that Kanaks are not yet ready for independence – you need to develop expertise which may take another 50 years. What is your response to these people?

RW: I don't think there has been a big change in Kanak people's attitude to independence during this time. About 80 per cent are still for independence. We have a middle class that is emerging, but this is not a reality.

PIM: Is it that they are scared that if French subsidies stop you may not be able to survive?

RW: I think the difference [with] other countries in the Pacific, is that New Caledonia is very rich. We have nickel mines and other ore in the soil, also fish. The problem is how to manage this potential, that is, how to find finance to manage and produce the nickel, etc.

PIM: A major part of the Matignon Accord was the economic rebalancing principle in the country. Do you think the FLNKS has been successful in doing that?

RW: No. I think the important thing for us is to plant in the process of rebalancing. In terms of rebalancing of the territory, it is not possible to rebalance in 10 years. The rebalancing will continue maybe for 10 years or 20 years. I think that it is a very long process. The important thing ... is that we enter into the process of rebalancing. But it is difficult to make an evaluation now, eight or nine years after the signature of the Matignon Accord. The Matignon Accord was very good for the country and the people, but 140 years too late.

PIM: RPCR argues that New Caledonia is already independent – there's democracy and France is always there to help out with subsidies. So why ask for independence?

RW: We are not really independent, but autonomous [which is why] we refused the proposal of the prime minister of France last year; we consider we are already autonomous. The problem is to convince all the community, including the RPCR leaders, to come with us to be independent.

PIM: What is there for France to hold on to in New Caledonia?

RW: Nickel and the economic potential of this region with its 200-mile exclusive economic zone.

PIM: If FLNKS comes to power to get the White support like in South Africa when ANC went into a coalition with the National Party for awhile, will you consider RPCR as a junior coalition partner?

RW: Of course ... We could share power with RPCR or any other group. My goal is to lead the process from 1988 towards emancipation and sovereignty of our land. This is our vision. ■

■ NEW CALEDONIA

'Cadres 400' - helping prepare for independence



Dralue ... model or exception of the Cadre 400 programme

The main pillar of the Matignon Accord is to rebalance the economic scales in New Caledonia over the 10-year period leading up to the independence vote in 1998; that is to make more economic opportunities available to Kanak people living in the Northern and Loyalty Island provinces. While Kanak investments into the nickel and tourism sector were a major plank of it, for that to make a real impact on the upward mobility of Kanak people, they need to run and manage the enterprises thus created.

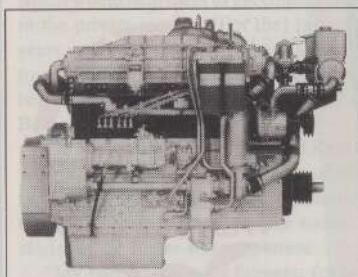
To assist in this process, the Cadres 400 programme was set up in 1989 to send to France 400 New Caledonians – mainly Kanaks – for higher education and training. The objective is to train as many Melanesians (Kanak) as possible between ages 18 and 40 for senior management level. This scheme is jointly funded by the French government and the territory government of New Caledonia, with 80 per cent of the funding coming from France.

Up to July 31, 1996, 300 people had gone to France on these scholarships. Out of them, 162 have successfully completed their studies while another 110 are still there; 141 of these graduates have already returned and are employed here.

"We give first preference to Melanesians because the aim is to contribute to the rebalance of responsibilities for the territory. Though the percentages were not decided at the beginning, about 75 per cent of those who have gone have been Melanesians, while there have also been Whites, Polynesians and mixed-race students," says Catherine Bertignac, technical counsellor of Mission Formation, the government body which administers the Cadre 400 programme. She explained that when people came to their office expressing interest in the programme, they first tested their proficiency for further studies,

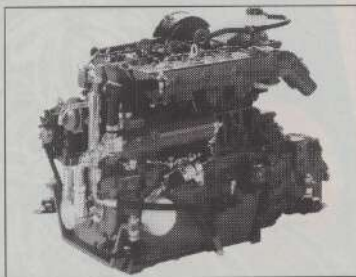
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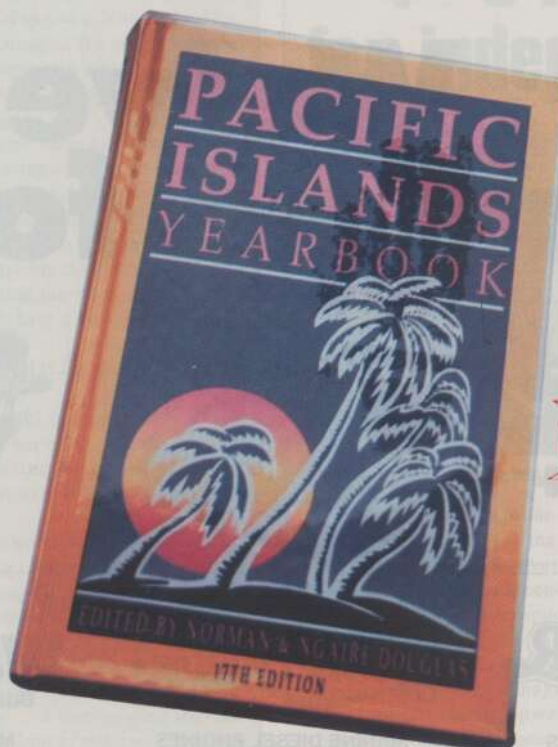
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'Cadres 400' - helping prepare for independence

then found out what field they wanted to pursue studies in and tried to match them with the needs of the country, especially that of the Melanesian community.

"They must choose a field of study where they will have an opportunity to work here, once they come back," says Bertignac, adding that during their studies in France the students have access to a counsellor, and before they come back her office writes to potential employers and tries to arrange a job.

She said that about 80 per cent of scholarship-holders had been men and they were now trying to increase the number of women, as well as encourage new applicants to apply for fields of study which would help them to get employment in the private sector. "[For the] last two years we have tried to encourage students to apply for industrial technology and health and social science courses," added Bertignac.

Christiane Draluc, a 29-year-old Kanak woman who is now the director of the newly established Loyalty Island Tourist Office in Noumea, is one of the success stories of the Cadre 400 programme.

"My parents are poor farmers; for all my studies I got grants from the French government," Draluc told *Pacific Islands Monthly*. Draluc has completed a four-year degree course at a reputable business school in Paris, after which she undertook three months of special language studies in Britain, followed by a one-year MBA course in the United States, which she completed in 1994.

"Christiane was an exception, we funded her to do an MBA in the US," observed Bertignac. "We did it to help the (Kanak) tourist industry."

Since returning from the US, Draluc has worked as the director of the Maritime Society of the Loyalty Island for two years and became the director of Destination Iles Loyaltie when it was set up in November, 1996. She also works as the personal secretary for the president of the Loyalty Island Province. When asked by *PIM* if she was a model success story of the Cadre 400 programme, she was reluctant to accept the idea because, she said, it would give the wrong picture.

She is concerned that very few Kanak women got the same opportunity she had, and would like to see more women benefiting from the programme. ■

■ NEW CALEDONIA

The French attraction

Nickel wealth in the Pacific

Many players in the New Caledonian independence struggle are well aware that the nickel wealth and the politics of independence cannot be separated. But those on the French side do not necessarily agree.

The pro-independence grassroots activists, who believe the French have been pouring subsidies into New Caledonia, since the Matignon Accord was signed in 1988, to buy off the Kanaks, will be quick to point out that this is the result of nickel wealth returning to their country.

Thus, the leadership of the FLNKS believe that if they grab control of the nickel industry here, they have all but won the independence struggle.

"Our struggle is a political struggle to achieve our independence, but we know that political independence must be built on economic rules. I think nickel mines are important in this process," FLNKS leader Rock Wamyton said in an interview with *Pacific Islands Monthly*. "We know political independence without economic development creates a real problem." Through the Kanak-owned mining company, Societe Miniere du Sud Pacifique (SMSP), this is what the FLNKS has set out to achieve.

Nickel is an important strategic mineral for the industrialised world, which is used in the production of stainless steel. With demand for such products as kitchenware increasing rapidly in fast-growing South-East Asia, the future of the nickel industry looks bright.

"We expect the demand for stainless steel will grow around the world," says Raphael Pidjot, director of SMSP. "We

have big plans to develop the north; to produce nickel here, not just export the ore."

According to various estimates, this Pacific Island territory of roughly 18,000 square km holds between 25 and 40 per cent of the world's known reserves of nickel. These deposits are expected to last well into the 21st century. New Caledonia is today the world's third-biggest producer of nickel behind Canada and Russia. It exported 50,000 tonnes in 1995, 60 per cent of which went to Japan, 36 per cent to Australia and four per cent to the United States. The industry provides some 3000 jobs and contributes to between seven and 10 per cent of the territory's gross domestic product (GDP).

As Jean Charles Ardin, the director of the French government's Mines and Energy Service of New Caledonia, says, "If you speak of industry, sure there's only one industry in New Caledonia and that is nickel mining."

But Ardin is not that optimistic about the future. He says a new era of competition is beginning in the nickel industry with several new mines being opened in Australia, Indonesia and South America. Thus, it may be difficult to maintain their number three position in the world.

The politics of independence, however, is giving the nickel industry here a new push, with three new mines to be opened in the country within the next few years. The two mining giants here are aligned with the two major political forces in New Caledonia.

The Societe Le Nickel (SLN) - a subsidiary of the French conglomerate ERAMET - is a private company controlled by French government agencies.

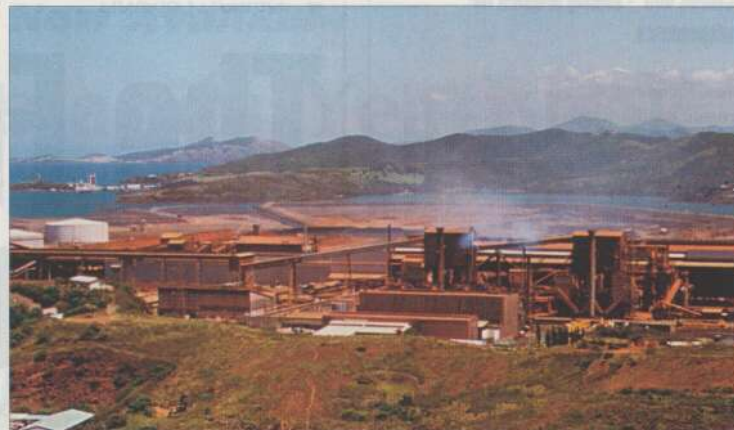
The French attraction

It has operated in New Caledonia for over a century and is aligned with the pro-French right-wing party RPCR, while the SMSP – in which Kanaks were encouraged to buy shares after the signing of the Matignon Accord – is aligned with the pro-independent socialist party, FLNKS. SMSP has recently signed a deal with the Canadian nickel mining giant Falconbridge for a joint-venture project, worth between \$US800 million and \$US1 billion, to construct a nickel smelter in the FLNKS-controlled Northern Province. In addition to creating an estimated 2000 jobs, the project includes the building of a port, an international airport, a new town and electricity and water supplies for the region. Thus, SMSP is asking for a 25-to-30-year mining lease to implement the project.

To undertake mining activity in any land in New Caledonia, you need to obtain a permit from the French government which is issued by Ardin's office. This does not give one ownership of land but the right to mine it. There are no standard leases here and no recognition of indigenous land rights. Thus, each case is treated on its merits according to Ardin.

The rival SLN company has protested to the French government against the granting of mining rights to SMSP, claiming ownership of the sites. But the FLNKS argues that this project is essential to the "economic rebalancing", which is one of the key aspects of the Matignon Accord. In other words, it will bring jobs, services and prosperity to the deprived Kanak populations in the north of New Caledonia.

"This is the biggest ever investment in the country and we can't understand why the French government is blocking the development of resources," Pidjot told



Noumea harbour with the SLN's nickel smelter

PIM. "This is such a big investment and if it was in France, President Chirac would have settled it in one or two days.

"Maybe the French government is frightened of us because SMSP belongs to the Kanak people," added Pidjot, who is himself a Kanak. He may have a point there, as SMSP has increased its share of the nickel ore exports from 18.8 per cent in 1990 to 71.5 per cent in 1995, making it the number one nickel exporter in New Caledonia and number three in the world.

"Before, all the SMSP profits used to go to Europe, now all of it is invested in the country," says Pidjot, but negotiations on the lease have dragged on for almost a year. In February, the French minister for external territories, Jean Jacques de Peretti, was in Noumea for further discussions, but talks ended in deadlock.

Wamytan, who was directly involved in the negotiations, was disappointed that no consensus was reached between SMSP and ERAMET on the leasing issue, but he said he hoped to find a solution to the problem

within the next three months.

Ardin told *PIM* that the main problem with the project was that the French government had to ensure any new projects would be economically viable because there may be too much nickel in the world market when new mines are opened in Australia and other parts of the region.

Pidjot disagrees. He argues that this investment must get top priority because New Caledonia exported 120,000 tonnes of nickel in 1995 and only 50,000 tonnes of it were processed here. "In future, we will make the transformation locally. It will add value to the product and create jobs in the north, where it's most needed," he points out. "North [where most Kanaks live] is very poor. We need to implement this project to create a big city, establish infrastructure and give them jobs."

Thus, it's no secret that the nickel industry or the economic fortunes of the SMSP are becoming an integral part of the FLNKS's struggle for independence from France. ■



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■ NEW CALEDONIA

Untapped Kanaky tourist potential holds key to economic rebalancing



A French cafe in Noumea ... for those seeking a piece of France in the Pacific

Nickel wealth may be what is ticking the New Caledonian economy and keeping the French in the Pacific, but the tourism potential in the traditional Kanak areas of the North Province and Loyalty Island is an untapped economic potential which holds the key to balancing the economic scales in the French colony.

In the last decade, New Caledonia has attracted about 120,000 tourists a year and another 50,000-60,000 cruise passengers. Most visitors have come from Japan, Australia and New Zealand. Because of the high cost of living in the country, tourism industry sources admit that it has been difficult to attract tourists from other parts of the region.

As one industry source said, in the past, New Caledonia had promoted itself as a part of Europe and a part of the French in

this region. "We know this asset is appreciated, especially with Japanese tourists," he said.

Thus, most of the tourist development has taken place in Noumea and other parts of the South Province where the French settlers live. But all this is going to change now, with the entry of the North and Loyalty Island provincial administrations into the tourist industry. They are channelling funds through two Kanak-owned companies into tourist ventures around the country.

The North Province-supported nickel mining company, SMSP, through its parent company, SOFINOR, is at the forefront of these moves. It has been plugging some of its nickel profits to SOFINOR which, in turn, has set up Compagnie D'Investissements Touristiques (CIT) to buy into hotels and build new resorts. Under CIT is a whole range of subsidiary

companies which are slowly establishing themselves in the tourist industry here.

CIT has brought into three of the biggest hotels in Noumea – it is currently just 12 shares short of 50 per cent ownership of the Novotel Le Surf hotel, owns four per cent of the only five-star hotel in New Caledonia, Le Meredien, and has bought into the Ibis hotel. The three hotels together have half the room capacity in the country. These purchases have upset the leader of the RPCR, Jacques Lafluer, who argues the Kanak-owned companies should concentrate their investments in their own provinces.

When SOFINOR bought into Le Surf, which included Noumea's only casino at the time, Lafluer, as president of the South Province, issued regulations to restrict the opening hours of the casino. Since then another casino has been established at Le Meredien Hotel.

"We bought the casino to create cash flow to invest in tourism in the north but, unfortunately, so many people can't understand our strategy and get very frightened with our economic power," observes Raphael Pidjot, director of SMSP.

"We can build hotels in the north, but you can't take people directly to the bush. We bought the casino and the hotel in Noumea, so people arrive here for a few days and then we take them to the north," he adds.

SOFINOR has invested \$US20 million into a Club Med and Malabou Beach resort in the far north of the country. They have also invested another \$US8 million in the Nengone Village and Drehu Village resorts in the Loyalty Islands.

"CIT is a major investor in tourism and hotels in New Caledonia," says Gerald Cortot, director-general of CIT, but he complains that a lack of good airline services to New Caledonia is a major drawback for the industry.

"We need an average 60 per cent capacity to break even; now we are less 15,000 visitors a year to do that," he adds, pointing out that a major problem is many New Caledonians go on overseas holidays during school vacations and it's very difficult to get flights in and out of the country, especially from December to February. "During the same period, hotels here are half booked," he says.

Cortot explains that the way they get Kanak people involved in their tourism projects in the north is initially through



French Noumeans spending their Sunday by the beach



Le Surf Novotel Hotel in Noumea bought by the Kanak's SMSP company

"land for shares" arrangements. This means that when they use Kanak land for a tourist resort, the land is valued and that value becomes part of the share capital. "Kanak don't bring in money, but the right to use that land as capital," he says.

"Earlier, companies used to lease land from Kanaks and pay them a monthly fee. But Kanaks now understand the economics and are inside the company," Cortot says. In addition to this, ICAP, an investment company owned by the French government

loans money to the project based on the land-share capital and, if the Kanaks get dividends on their shares, they could buy off the bank's interest. Though this system has operated since 1989, no hotel has so far made profits, admits Cortot.

However, he is quick to point out that on top of it, Kanaks also gain on the employment front.

Cortot says three out of four staff members working in the resorts are from Kanak communities and they have also created

subsidiary business networks for the community.

"When hotels need transport, fish, vegetables, they have to buy from the community. Only if it's not available, can they buy from outside," he explains.

"Thus, there are companies created by Kanak people to transport tourists from these hotels. So economic activities have been created around the hotels."

Similar set-ups have been established in the Loyalty Islands as well. This has been done through SODIL, a company set up by the Loyalty Islands Province. They established the Drehu and Nengone village resorts, with Kanak people becoming shareholders through the same "land for shares" scheme. Both these resorts were opened last year.

"Tourism is very new in the Loyalty Island. Before, we didn't receive any international tourists," says Christiane Dralue, director of Destination Iles Loyale, the province's tourism promotion arm. "At the beginning, the people were afraid of tourism, but with the setting up of the hotels, many little projects have been created in the last several months.

"Now Kanak people have realised they can sell again fish, vegetables, crafts. So there's economic benefits to the villages," she adds.

Dralue argues that tourism projects are making many Kanak people realise that they need to become part of the economic system to have money to feed their children and send them to school. "But we need to move slowly, have meetings in the villages to make people understand the economic benefits of tourism," she says.

SODEL has created another department called SOPARIL to help Kanak people to set up small businesses in fishing, arts and crafts, yacht and motor boat operation, so they can sell these services to resort guests.

"Many young people work in these projects" says Dralue. "One year, before the creation of the resorts, the Island Province made an agreement with ETFPA (hotel training institute in Noumea) to train the young people chosen by the land owners.

They were trained in cooking, serving, cleaning and reception and about 40 of them received a diploma; now they work in the resorts. "They have been chosen by the owners of the land, not by an employment agency in the city," Dralue points out, adding that young people on her island need not come to Noumea in the future to look for jobs and end up in the unemployment statistics. ■

■ NEW CALEDONIA

An important economic force

Vietnamese play crucial part



Andre Dang, president of SMSP ... "The French are very jealous because I am yellow"

Vietnamese have been living in New Caledonia for as long as the French, who colonised the country. The first Vietnamese arrived on board the ship *Cheribon* in March 1891 from Hai Phong in the then French-ruled Indo-China. There were 791 men and 50 women, the men being mainly convicts being exported to the Pacific. Only 41 of the men had signed the contract to freely come to New Caledonia to work.

Thus, the first Vietnamese migrants came to New Caledonia at a time when the French needed cheap labour to mine nickel and develop agriculture. The early workers came on five-year contracts and, even though the working conditions were exploitative and sometimes brutal, many extended their contracts for a further five years before being forced to go back.

Between 1891 and the 1940s, waves of Vietnamese migrant workers came to New Caledonia, sometimes about 500 a year. It was only in 1945 that the French government decided to give permanent residence to all those who were on contract. New waves of migrants had come from Vietnam

following the French defeat in Indo-China in 1954 and the American defeat in Vietnam in 1975. Many of them were Catholics.

Today, there are some 4000 Vietnamese living in New Caledonia, most of them in Noumea. According to the Vietnamese Association of New Caledonia (VANC), there are at least another 4000 New Caledonians who have Vietnamese blood through inter-marriage. After the Vietnamese were released from contract labour in 1945 and allowed to freely circulate in the country, many of them went into business. They first went into food business with Kanak people. From working as salespersons in shops, they slowly began to set up their own small shops. Now, many own supermarkets, even car dealerships, shipping lines and export-import businesses. There are many Vietnamese family businesses which own the whole process from the growing of vegetables to transporting them to the market to selling to customers.

"We never got government help in setting up business and we never asked for it," a spokesman for the VANC told *Pacific Islands Monthly*, adding, "we are proud to be New Caledonians rooted in this country."

We don't want to get involved in politics but we're happy politicians are now talking to each other."

One of the best known Vietnamese-New Caledonians is Andre Dang, the president of the Kanak-owned nickel mining company SMSP. Now the head of the country's biggest mining company.

In a rare media interview, the soft-spoken, low-profile businessman explained to *PIM* how he would like to help the Kanak people play the economic game on level playing fields with the French here.

By the mid-1980s, the New Caledonian-born Dang had built up a highly successful car import-and-distribution business here, which made him one of the wealthiest people in the colony.

But in 1984, he had to flee his homeland and go to Australia, when the French accused him of helping the Kanak independence movement, which had turned violent by then. He spent six years in Sydney before returning to New Caledonia in 1990. After the signing of the Matignon Accord and just before his assassination, FLNKS leader Jean-Marie Tjibaou had requested him to come back to help the Kanak people build up a business base. "During the last six years, I have been in mining and developed a strategy to develop this country," says Dang. "I accepted this job as a very big risk. I'm not doing it for money."

Dang admits he's not a typical Vietnamese here, who, he says, usually like to run small businesses and keep out of political situations.

"The French are very jealous because I'm yellow. They don't mind Vietnamese running small businesses, but not big ones like what I built up. That's why they accused me of sponsoring FLNKS and tried to kick me out of New Caledonia," says Dang.

"As president of SMSP, I advise and train Kanak people to run their business. I have been able to make some Kanak people level with the Vietnamese and French," he adds.

Dang firmly believes that if all the nickel wealth remains in the country, an independent New Caledonia can easily provide for its 200,000 or so population. ■

■ ADVERTISING FEATURE

■ TELECOM

Sex on the line

By **BERNADETTE HUSSEIN**

One of the more popular means of attaining sexual gratification, especially in the current era of safe sex, has indirectly been creeping into the South Pacific. Telephone sex or, more technically speaking, a form of audiotex, is in fact, already here with the potential to increase revenue for some of the smaller island nations, including Tuvalu, Tokelau and Niue. Niue and Tuvalu, for example, had 10 per cent of their revenue generated from the international phone sex service last year.

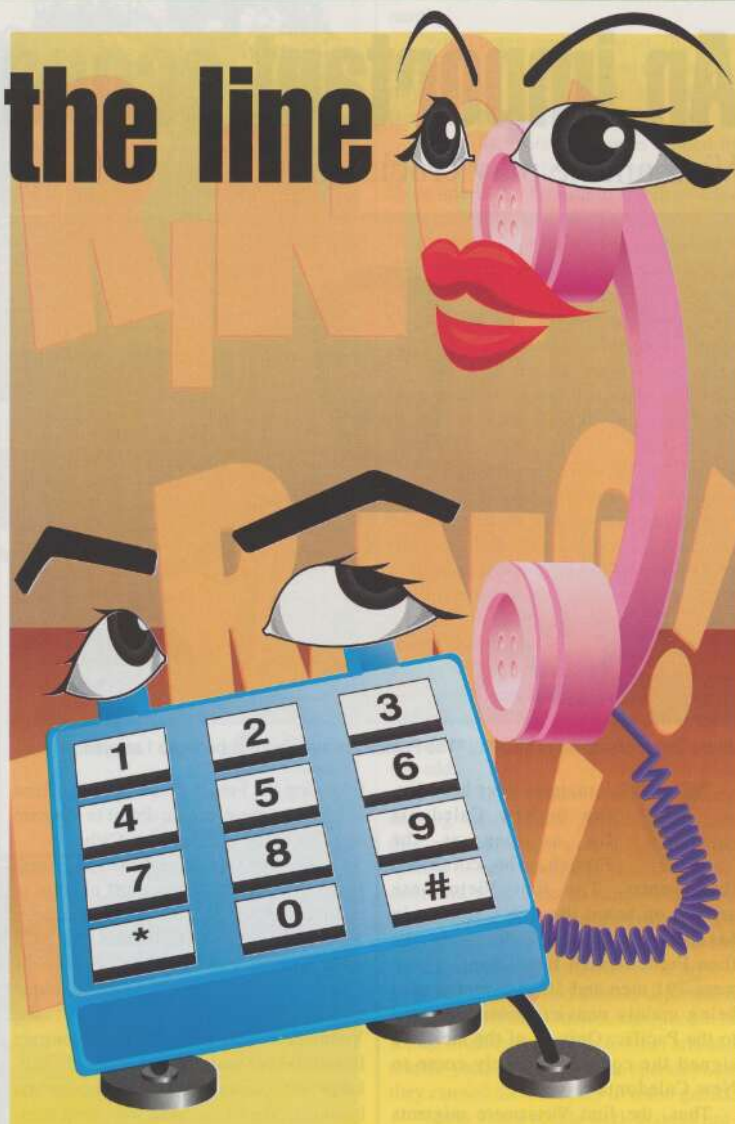
But that is not to say the ethics of the situation have not come into play. In an interview earlier this year, Tuvalu's prime minister, Bikenibeu Paeniu, said that the discovery that Tuvalu's phone lines were being used for the sex service was a major moral issue for the religious country.

Tuvalu, which is a tiny atoll nation, earned \$US1.2 million last year and looks set to earn double that amount this year. A spokesman for Carrier Telecom in Tuvalu said the sex service had been available through the country's telephone lines since the end of 1995.

"The service has been made available since the signing of a tripartite agreement between Carrier Telecom, the Tuvalu government and Asia Pacific Telecommunications, the company responsible for providing such a service," he said. He said he had no idea how many telephone lines were being used but APT was using Tuvalu's country code, which is 0688, to provide the sex service.

Advertisement for sex lines using Tuvalu's country code appear in magazines in Britain, the United States and Japan.

Niue, which leased its lines to the service, took on a more moral approach earlier this year. In February, Niue's premier, Frank Lui, ordered that the country's telephone lines be removed from the worldwide sex service because he wanted the country to maintain a clean reputation. Niue was a Christian state and he wanted



PIM GRAPHICS: James Rankin

to keep it that way, Lui said.

Fiji and Kiribati have refused to be party to the scheme. The chief executive of Kiribati Telecom Service, Cliff Macalpine, said they had turned down approaches by a number of companies to use their lines.

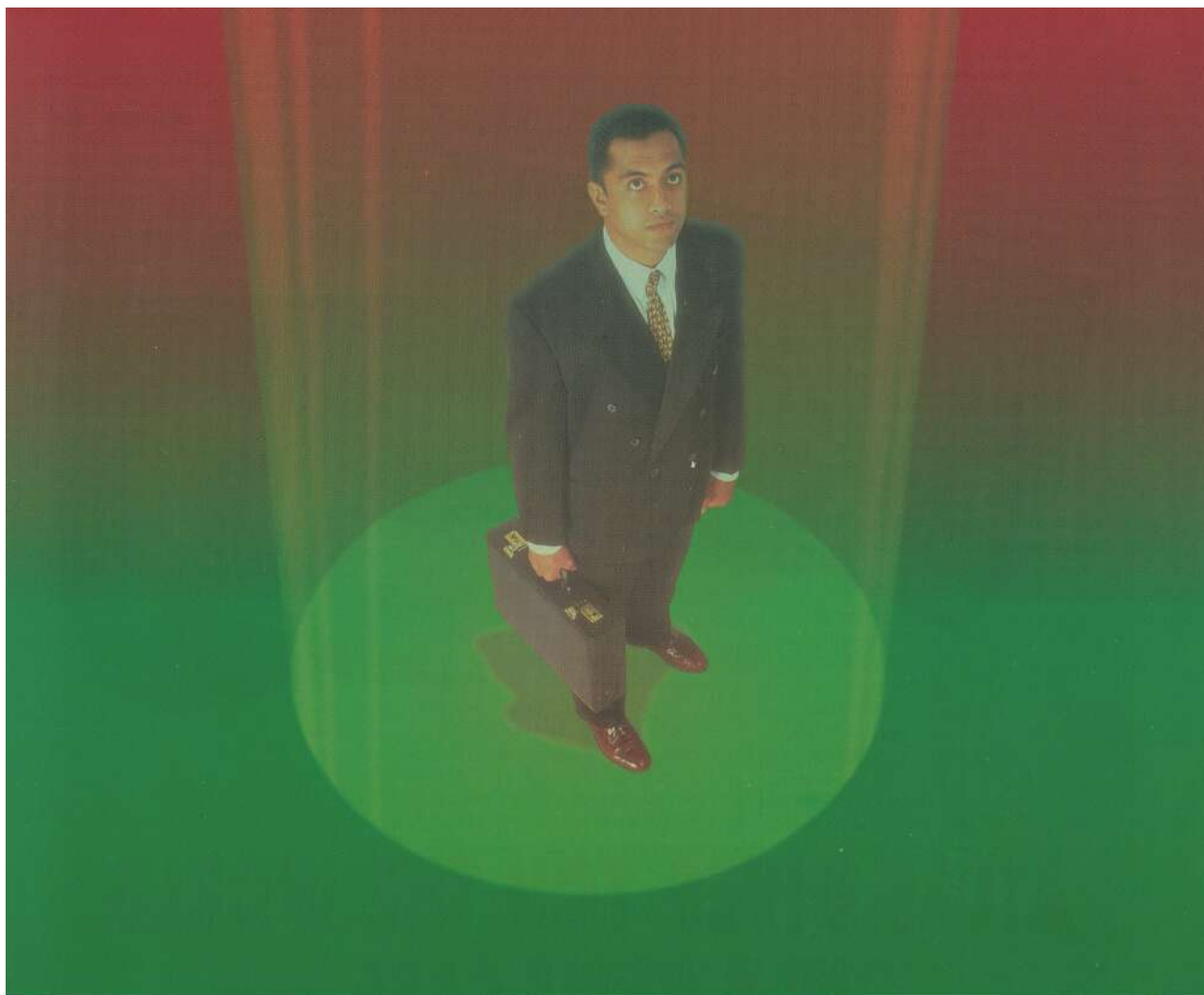
"Superficially, it is a very attractive business and there is income without the country having to invest," said Macalpine. "But there are a number of drawbacks. We have been unable to satisfy ourselves that the contents of the service can be controlled.

"Some stuff shown is OK but others are

quite dubious. I have heard of examples where countries signed agreements for audiotex without being specifically told about the nature of the contents. They think the contents are good and clean but, to their horror, find things are nothing like what they thought. Until we can satisfy ourselves that the contents will be clean we will not go into this service."

While the short-term benefits were very attractive, the rental was quite insecure, Macalpine said.

"One day they will be there, but they can decide at any time to pack up and go -



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Sex on the line

and then what happens? This is OK, but if you have forecast the use of the money made from this in other projects and have started on them, then you are in trouble."

Macalpine said that he, personally, did not see the government of Kiribati ever supporting such a basis for business. And, he added, it was a question of ethics.

Like Kiribati, it was a question of ethics for Fiji. Fiji International Telecommunications Limited (FINTEL) general manager Mohammed Farouk said the company had been approached several times to lease telephone lines but that they had refused. Farouk said audiotec involved a lot of factors, some of which were fairly sensitive to some people, for example, adult programmes.

"When approached, we made our position clear that we would not entertain those sorts of programmes. But anything else, for instance, services like horoscopes, tarot cards, etc - if the operators can come up with things like that, then we would take them up on those.

"We've had offers over the past 18 months to two years for the use of our lines. The requests come from various sources. There is quite a large number of operators out there and we have been approached by operators in Israel, Germany and Hong Kong."

Another country considering this deal is Tokelau. However, a representative from the country's telecommunications company declined to comment on the issue. And, according to a report carried by Agence France-Presse, the country codes of Papua New Guinea, Solomon Islands and Vanuatu were also being used in the business. However, confirmation of this could not be obtained by the respective countries. So, how does the system work?

Each country has a country code which is its international identity, Farouk said, then within the national network, depending on how big the network is, uses up number ranges. Smaller countries, such as Niue and Tokelau, have a very small number of subscribers.

"How these operators offer audiotec is that they try and lease a block of numbers from these countries together with their country code. Then what they do is have an interim arrangement because you need three parties to set this up. For

example, if a call originates from somewhere in Europe the originator will detect that it is a call for, say, Fiji. It will then route it in a certain direction because we do not have direct routes to Europe. "So, for instance, if it is going to come through New Zealand, the service provider will have to have an arrangement with New Zealand that the numbers from, say, Niue, Tokelau and Fiji will be detected in the New Zealand exchange.

"While this number will have a country code for Fiji, this number range is not supposed to go to Fiji, so it will go and terminate in some data bank in New Zealand and then is connected to the service dialled for."

He stressed that, like other telecom operators, the country which leases these numbers usually would not have access to the data banks and be unable to access this service.

"Basically, the system works because of the difference in what we call accounting rates. So it is only attractive if you have high accounting rates.

"If the accounting rate is low then the benefits, according to the service provider, are going to be very low."

Accounting rates, Farouk said, were agreements between two countries.

For instance, if someone sets up a service between New Zealand and Fiji, they agree to a certain fixed fee to carry each other's traffic. So, if someone from Fiji calls New Zealand, the call goes through FINTEL, in Fiji, who then switches it to New Zealand and then the New Zealand exchange has the responsibility of redistributing it to the number dialled. Each of the parties agrees at so many cents to carry each other's traffic onwards.

The general accounting rate is then split halfway. Farouk said while this was quite an old trade for the rest of the world, it was fairly new in the Pacific. So why the sudden interest in the Pacific?

"These operators move from country to country, and I think what is happening is that the interest in the Pacific is generated by the fact that we still have fairly high accounting rates. Accounting rates is where the money is, which is why they try and use the smaller and developing countries which have these high rates."

As for the countries leasing their lines: "Well without any overheads, they make profits. They don't have to set up an exchange and can still make a lot of money out of it." ■

■ ADVERTISING FEATURE

■ TELECOM

Something for smaller countries ...

By **BERNADETTE HUSSEIN**

Telstra, ranked among the top 10 telecommunications companies in the world with over a 100 years' experience, has introduced a new product expected to improve communications for smaller countries - the Telstra DAMA-Net Digital.

Telstra is one of the region's largest carriers, and the traditional correspondent in Australia for most Pacific carriers. Telstra has supported the PACT Network for seven years and is proud of its proven record which is why, it says, it is committed to further developing and supporting its DAMA-Net Digital services into the 21st Century.

As a carrier, Telstra can deliver via DAMA-Net Digital, a range of value-added services in partnership with Pacific carriers.

Telstra believes that the benefits of changing to DAMA-Net Digital are several:

- DAMA-Net Digital provides high-quality and economical voice, data and facsimile communications;

- an increase in facsimile and data rates from 4800 bps to 14,4000 bps; and

- DAMA-Net charges have been significantly reduced, providing a flat, cost-effective rate for both international and domestic traffic.

One of the features of DAMA-Net Digital is that it has the ability to provide private network services, thereby increasing internal revenue from customers.

Users will also have full-switched access to and from the Telstra Network via a single satellite hop plus forward switching.

There will be capital costs savings as well as the capability to cost effectively manage traffic overflow during peak

Something for smaller countries ...

hours, Telstra says.

In addition to these services, Telstra also has a service agreement for improved customer focus and clarity, which offers a level of comfort to both parties.

Telstra views the relationship more as a partnership, with the agreement providing the basic framework.

The agreement protects clients from price increases, provides customers with an underlying commitment for grade of service and network availability, outlines a process for dispute resolution, and provides customers with a level of service assurance which can be passed on to customers.

With the programme, Telstra can provide billing and reporting features customised to best suit customers' business requirements.

Telstra's DAMA-Net Digital technology platform provides the following services:

- DAMA-Net - a quality international and domestic PSTN service for Telstra, correspondent carriers and service providers with specific applications to small low-cost antennae; and
- Demand Lease - provides customers with a dedicated link/service to a particular business customer. This is facilitated through a network of modems, which are usually in individual carrier earth stations.

Demand Lease provides effective and efficient data or voice networks, which are secure from unauthorised access.

It is a lease network of modems which provides a dedicated service to individual business customers.

The DAMA service switches in the space segment only when the customer intends to send data.

In the Pacific Ocean region, the DAMA-Net Digital is available in Australia, New Zealand, Papua New Guinea, Solomon Islands, Kiribati, Cook Islands, Niue, Fiji, Nauru, Marshall Islands, Sakhlim Islands, Tokelau, Western Samoa, Tonga, Vanuatu and Palau.

So why Telstra DAMA-Net Digital?

Because, Telstra says, it is willing to do business on a bilateral or multilateral basis; it has a history in service and support; it provides innovative solutions to unique customer requirements and is a dedicated Pacific Region

■ ADVERTISING FEATURE

■ TELECOM

A brief case for communications



Atlas Communications ... inland or at sea

By **BERNADETTE HUSSEIN**

The mobile version of the Satcom-M satellite communications briefcase is the first of its kind in the world where sophisticated mechanical interlocking devices are used to activate marine software installed inside.

The product by STN Atlas Australia enables the briefcase, which is equipped with an antenna, to lock onto the marine-tracking antenna on a vessel.

The result - a portable office able to offer satellite telephone, fax and data facilities while the vessel is moving.

Once the mechanical interlocks are disconnected, the briefcase resumes using the usual land antenna located in its lid and can be taken back to shore for typical land application.

The terminal is seen as a major step

forward in reliable and cost-effective communications systems. The development of the briefcase was an example of Australian engineers developing a product to suit Australia's geographic needs.

According to the engineers, although they have offered a marine version of Satcom-M, the below-deck electronics that tap into the antenna have always been fixed.

The dual usage of the Atlas mobile briefcase means people need to buy only one terminal for both applications.

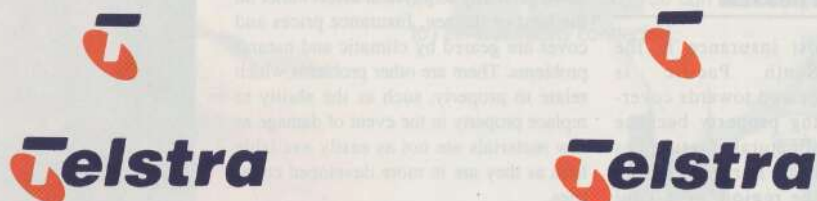
The potential applications for the mobile briefcase are extensive. It is not restricted to marine use, but can be used on board trucks and trains which are equipped with similar tracking antennae.

The briefcase offers customers access to cost-effective and reliable satellite communications both in and out of Australia. It is lightweight but sturdy enough to cope with rugged conditions. ■

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■ ADVERTISING FEATURE

■ INSURANCE

Understanding insurance coverage in the Pacific

By **BERNADETTE HUSSEIN**

Most insurance in the South Pacific is geared towards covering property because of the high risk of natural catastrophes such as cyclones, hurricanes and earthquakes in the region, says Paul Dunk, regional director for Aon Risk Services in the South Pacific.

"This is unlike what happens in bigger countries such as Australia, the United States and the United Kingdom, where there is a big exposure to liabilities. The exposure to liabilities in this part of the world isn't much," said Dunk. "It comes

down primarily to physical assets either on the land or the sea. Insurance prices and cover are geared by climatic and natural problems. There are other problems which relate to property, such as the ability to replace property in the event of damage as raw materials are not as easily available here as they are in more developed countries.

"But it's better in Fiji than it is in Tonga, and it is better in Tonga than probably Niue. So, the smaller the country, the less service by ships or airlines, the bigger the problem."

Another problem facing the region, he said, was communications. "As an insurance broker, we have offices around the



Dunk ... most insurance covers property

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Understanding insurance coverage in the Pacific

Pacific. Say, for instance, if our computers break down in the Solomon Islands, basically, we have to send them down to Australia to get them fixed.

"So, operating an office becomes more difficult because your availability of services and trained staff isn't as good."

Aon also deals in medical insurance but, Dunk says, this becomes difficult when these insurances are in countries which do not have regular airline services. We are insuring people for health in the Solomon Islands where medical services are nowhere near to what is available in Fiji – so, there is a greater need to evacuate. "Sometimes we are in a situation where people need to be evacuated as soon as possible and the next flight is not due out for the next three days. So what we have to do here is hire a plane which comes equipped with medical facilities. But these don't come cheap and we have to pay so much more for these facilities compared to how much it would cost us to fly these people out."

He said he found that in the Pacific there was a great reliance on the sea.

"The boats sailing in the South Pacific

are mostly inter-island trading vessels which are often in far more hazardous waters because there are so many reefs." One problem you will find in the Pacific is overcrowding of boats. What we find is that if someone owns a boat, he tends to take about 100 people when his boat only has the capacity to carry 50. Sometimes, these boats are not in very good condition and insurance companies don't insure them for much. In cases where boats do not have a proper survey report, some insurance companies will not insure them at all."

Dunk explained the procedure of marine insurance, saying most shipping companies insured their crew in case of mishaps. "First, what the insurance companies do is look at the boat and then the survey reports if there are inadequacies. Then, chances are these boats will not be insured. All this is done to ensure that the boat is as safe as possible."

Aon prides itself on being one of the largest insurance brokers in the world and has been operating in the South Pacific for over 13 years with offices throughout the region. ■

■ ADVERTISING FEATURE

■ INSURANCE

What of insurance brokers?

By **BERNADETTE HUSSEIN**

The trend worldwide – and in Fiji, in particular – is towards reducing insurance premiums, says insurance broker Marsh and McLennan.

Director Paul Wilkins said this was due to a general oversupply of capital in the insurance market. This was particularly true of the reinsurance market, which has allowed insurance companies

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What of insurance brokers?

to obtain more favourable reinsurance protection and pass these benefits on to policy holders. As insurance broker, the work of the company is to get into the situation after a loss and settle claims as quickly as possible.

For example, after the destruction left behind in Fiji by Cyclone Gavin earlier this year, the company was quick to come on the scene to provide and settle the necessary claims. Wilkins said that a number of island resorts on the western side of the country were greatly affected and the losses were big.

"There will be over two months of rebuilding which may cost over \$F0.5 million (\$US350,000). Finance is not a problem - it's just that we want to get things done as quickly and efficiently as possible and make sure there is not much interruption to business." For hotels and resorts, an area of concern is the reluctance by the local insurance market to provide cyclone coverage unless properties have engineers' certificates, and then the wording is normally restricted to exclude factors such as sea surges, sandblasting and properties in the open.

Wilkins said it could be seen that the term "cyclone coverage" could mean a number of things and it was important that clients were fully aware of what was covered or, more importantly, what was not covered. "In cases where broader coverage is required or where clients do not have an engineer's certificate, we have entered into an arrangement with a number of overseas insurers to provide coverage at much more favourable terms than have recently been available, subject to certain minimum criteria," Wilkins said.

Another area of concern for the people of Fiji is that insurance companies do not pay for water damage that might have occurred through a leakage. But, Wilkins added, as insurance brokers, they made sure their clients knew exactly what they were covered for. We tailor policies for individual needs, he said. "People experience such problems when they go directly to insurance companies. If they go through a broker they will have a fair idea of what they are paying for."

The company also advises on risk management as well as deals with corporate or group insurance. It is in the

process of putting together a life and medical scheme at the request of the Fiji Public Service Commission for parliamentarians.

The brokers also operate in Papua New Guinea, which is its biggest insurance market in the Pacific because of its size and resources. And, because of the country's politically unstable atmosphere, insurance companies there provide cover for riots and strikes as well. Marsh and McLennan's global network allows it to call on the technical and marketing expertise of the worldwide group. "For example, if we have a particularly difficult or unusual insurance or

risk-management problem in Fiji, we can tap into our worldwide resources in search of solutions," Wilkins said. At the end of January, Marsh and McLennan Limited announced it had purchased CECAR, the second largest insurance broker in France. They had gross revenues in 1996 of approximately \$US135 million and 900 employees in 18 countries worldwide.

In February, it was announced that Marsh and McLennan were in formal discussion with ST Paul relating to a purchase of at least part of their Minet worldwide broking operations. Negotiations are continuing. ■

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■ ADVERTISING FEATURE

■ INSURANCE

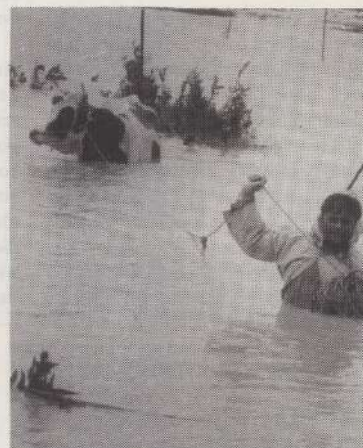
The problem of reinsurance

Like insurance companies around the Pacific, Progressive Insurance in Western Samoa is facing its share of problems, which are mainly to do with the costs of reinsurance.

General manager Solomone Suifua said reinsurance took most of the premiums paid on each policy. This was about 60 cents from every dollar so insurance companies were left with only 40 cents for the dollar.

"With reinsurance taking so much from the premium, we are left with very little to operate from and this can sometimes be difficult," he said.

Suifua said the cost of reinsurance in Western Samoa escalated by about 50 per cent after cyclones Ofa and Vau hit the



Coverage in the Pacific takes into consideration natural disasters, such as cyclones

country in 1990 and 1991 respectively.

"Because the risk was so high, reinsurance just sky rocketed and we could not do anything about it.

"A long period has passed since the two cyclones yet the cost hasn't come down - why, we don't understand.

"There was hope that it would come down later in the year but after the two cyclones which hit Fiji and Tonga earlier this year, things look highly unlikely.

"All we can wish for now is that the cost does not increase any further or we will not be left with anything." ■

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■ SPORTS

A king regains his crown

By **ATAMA RAGANIVATU**

Fiji's triumph at the Rugby World Cup Sevens in Hong Kong marked not only the first time a Pacific Island nation had won a world title in an internationally significant team sport, but also signalled that one of our region's favourite sporting sons had regained his title as "King of Sevens".

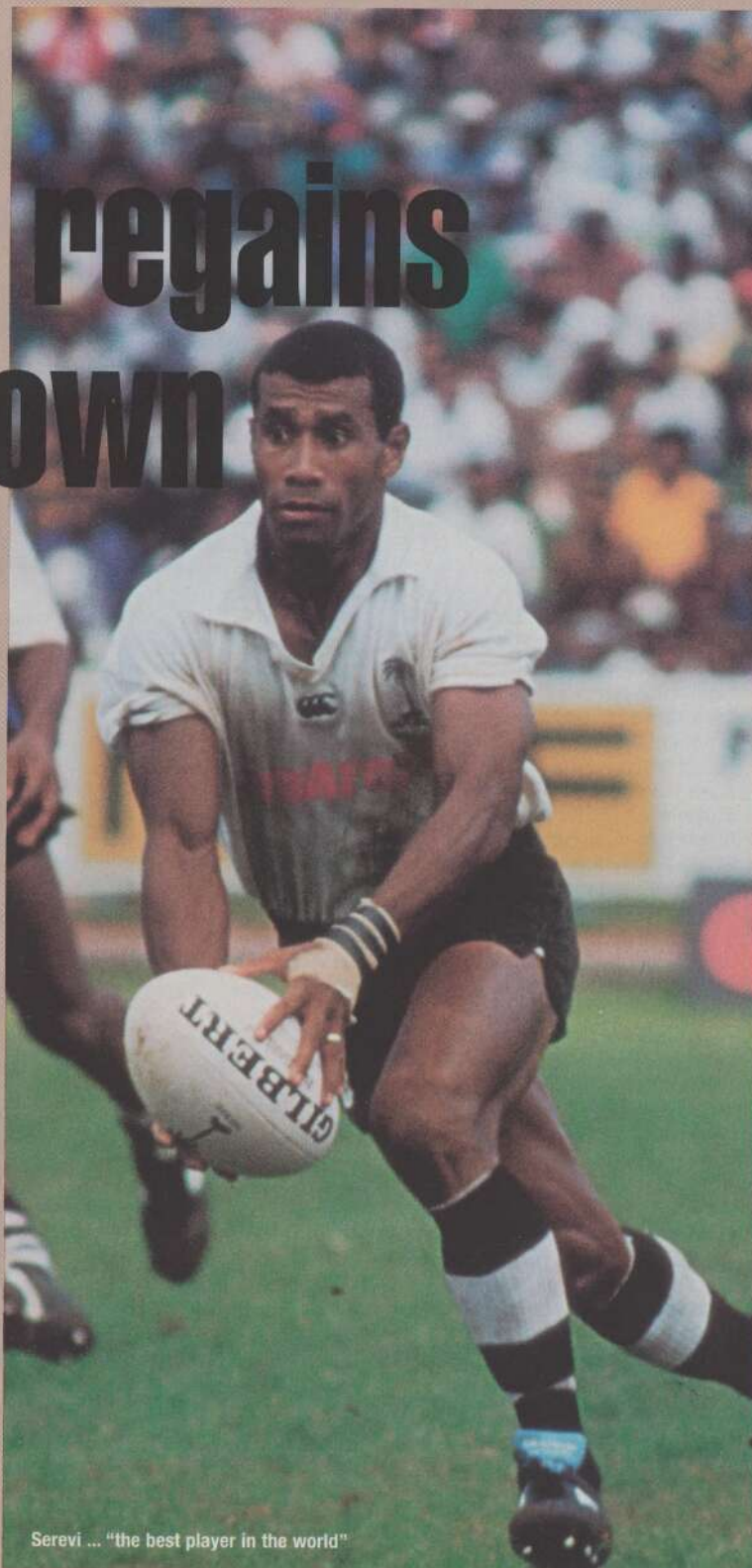
Waisale Serevi, the architect of Fiji's three consecutive successes at the Hong Kong Sevens from 1990 to 1992, inspired the Fijians' return to the pinnacle of the abbreviated game.

For four years, Serevi was forced to play second fiddle as his beloved Fiji were eclipsed by New Zealand and Western Samoa at Hong Kong, and England claimed 1993's inaugural official World Championship in Scotland.

During this time, Kiwis Glen Osborne, Jonah Lomu and Christian Cullen took turns at being proclaimed sevens rugby's most influential individual and, it appeared to many that the diminutive Fijian had had his days in the sun.

However, in Hong Kong this March, Serevi again proved himself to be without peer. At the end of the tournament all the experts, both professional and self-proclaimed, were lavish in their praise of the 28-year-old. Even Television New Zealand's veteran commentator Keith Quinn, who is famous for both his unrivalled knowledge of rugby union and remorseless parochialism, admitted, "Serevi is beyond any doubt the world's top sevens player - The Master."

Sports enthusiasts in the Pacific Islands



Serevi ... "the best player in the world"

A king regains his crown

can take particular pride in Serevi's achievements, for he is a rare breed – someone who achieved world fame without leaving this region.

Christened Waisale Tikoisolomoni Serevi, he was born in Suva but spent most of the first eight years of his life at Qarani, a village situated on the island of Gau in the outlying Lomaiviti Group.

The Serevi family then moved to Nasinu, a Suva suburb, and young Waisale's first experiences of rugby came when playing improvised games with friends there. Invariably, a plastic bottle was substituted for the ball they were too poor to buy.

At Lelean Memorial School, Serevi had access to real balls and basic coaching. He played with distinction for the school's first XV at halfback – a position, curiously, that was discarded almost immediately upon the completion of his education. Serevi made his first class rugby debut just over a year after leaving LMS, being 17 when drafted into the Rewa district representative side's line up. Less than three seasons of senior grade experience were under his belt as Fiji called him up for international duty.

1989 saw Serevi grace the Hong Kong Sevens for the first time and it was love between the two at first sight. Fiji did not win that year (New Zealand pipped them 12-10 in the semi final) but, such was the impact made by the precocious debutant, who from the start adopted his team's "playmaker" role, he gained the player of the tournament award – a rare achievement for a member of a losing side.

Much to the delight of his quickly acquired army of admirers, Serevi proved himself to be a totally irresistible force 12 months later.

Fiji hammered the Kiwis 22-10 in a memorable final and their gifted pivot became the first and, to date, only man to take the player of the tournament accolade for a second successive time. His 1990 Fiji Sportsman of the Year trophy was equally predictable.

During the next two years, he consolidated his position as the maestro of international sevens rugby as the team now known as the "traditional enemy", New Zealand, succumbed in both Hong Kong finals, 18-14 in 1991 and 22-6 in 1992.

The latter win prompted the prestigious British publication the *Rothmans Rugby Almanac* to name him amongst

their five Players of the Year, while Clem Thomas, the revered Welsh rugby journalist, declared Serevi "the best player in the world".

Fiji's dominance of sevens ended in 1993 when Western Samoa secured the Perpetual Cup with a shock 14-12 win over the holders. Then, New Zealand emulated the Fijian feat of a hat trick of successes in Hong Kong.

By this time, Serevi had become known to the vast majority of the world's rugby fans purely as a sevens player for virtually all his 15-a-side activity was confined to the Japanese club championship.

He signed a contract with Mitsubishi Motors in 1992 and, since then, his commitments to them have severely limited appearances for the Fiji XV. But, Serevi was very nearly lost to rugby union altogether.

In June, 1993 he signed a three-year contract with the Brisbane based rugby league club South Queensland Crushers for what now seems like a pitifully low figure – US\$160,000. This brought gasps of astonishment from his numerous devotees, who envisaged him taking horrendous batterings in Australian rugby league, which is noted, first and foremost, for the brutishness and intensity of its tackling (often executed by 'posses' of three players).

Just 1.76 metres tall and weighing 80 kilograms, no mountains remain for him to conquer in sevens rugby and, surely, his greatest aspiration now must be make an impression in the 15-man game corresponding to his talents.

There are several theories why Serevi has not made his presence fully felt in conventional rugby. The likeliest are the inferiority of the players around him and the fact he is constantly being switched between fullback, wing and first five-eighth and not allowed to settle in one position.

But, his greatest gifts – speed, flair, elusiveness, doggedness and ability to read the game superbly – are prime assets in the 15-man game too.

Recently introduced International Rugby Board regulations give the Fiji Rugby Football Union the right to call him back from Japan for international duty whenever they wish, Serevi has an excellent opportunity to prove he is more than just a sevens specialist – and that would be this King's crowning achievement. ■

Lam

By ATAMA RAGANIVATU

Manu Samoa captain Pat Lam must have been experiencing mixed feelings when he recently boarded a plane at Auckland airport for England and a lucrative contract with the Newcastle club.

Doubtless, he would be anticipating with relish the opportunity to become involved in the burgeoning and highly rewarding European professional rugby circuit, but there must also have been a tinge of regret at leaving New Zealand without making an impact on the local scene which equated to his talent.

After playing a starring role in Western Samoa's glorious World Cup campaign in 1991 Lam, then just 23, seemed destined to become one of the greatest loose forwards Kiwi rugby had produced.

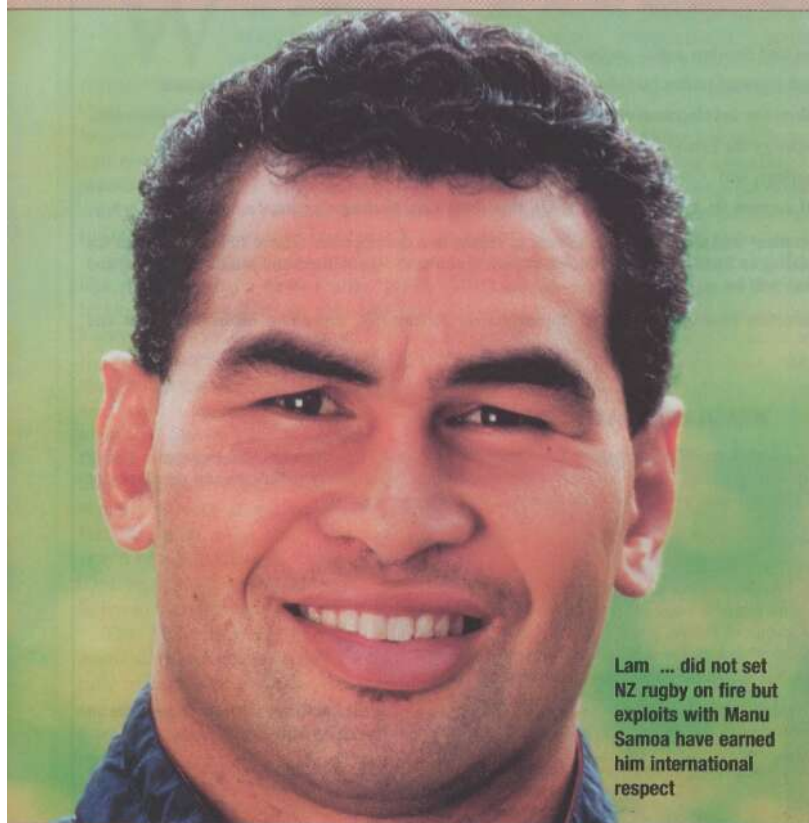
Lam gained selection for Manu Samoa's World Cup squad after only two seasons of first-class rugby with the awesomely strong Auckland outfit.

His senior international career could not possibly have had a better start – a Man-of-the-Match performance in Western Samoa's never-to-be-forgotten win over Wales at Cardiff's National Stadium. Subsequent performances in October, 1991 were only slightly less impressive and when, at the tournament's end, a World XV was selected, Lam found himself named their number eight.

Upon returning to Auckland, his birthplace, Lam, decided that the time was now ripe for him to push for All Black honours and the fame and fortune obtained therewith. But his All Black career was both brief and disastrous.

Making his debut against Sydney on the 1992 Australian tour, he lasted just 30 minutes against Sydney before leav-

n's lament



Lam ... did not set NZ rugby on fire but exploits with Manu Samoa have earned him international respect

ing the field with broken ribs, New Zealand suffered the biggest loss in their long and glorious history, 17-40, and Lam was not called upon again by the Kiwis. Nor did Auckland regard him as indispensable. Lam had to be content with long sessions on the Auks' reserves bench.

A narrow escape during a major earthquake while holidaying at California early in 1993 appeared to adversely affect his form too. However, Western Samoa welcomed him with open arms when, in 1994, Lam decided to return to their fold. Lam proved during the 1995 World Cup that

very few loose forwards could match him for mobility, speed, ball-handling skill and tackling ability.

In South Africa, he displayed another talent-inspiring captaincy. Taking over the skipper's role from the inimitable Peter Fatialofa early in the tournament, Lam succeeded in obtaining 100 per cent commitment from each of his charges as Manu Samoa again confounded the critics by reaching the quarter-final. Lam and Fatialofa are like chalk and cheese.

Fatialofa prided himself on being "one of the boys". Lam, fresh faced, intense on

the field, more introverted and occasionally accused of being a little aloof, constantly cajoles his team into greater effort. After being led by a favourite uncle, the Samoans found themselves captained by a long-lost cousin. It is testimony to Lam's gifts in communications and persuasiveness, which were honed during his time as a student at Auckland Teachers' College and as an educator for F.A.D.E. (a government-funded anti drugs organisation), that he quickly filled the shoes of Fatialofa, who is nine years his senior.

Lam's leadership capabilities were cited by Manu Samoa coach Bryan Williams as a vital ingredient in the success of last year's British tour too.

Lam is now certainly well entrenched on the international scene. Yet, ironically, his standing in New Zealand has diminished over the past two years.

Realising that first team appearances would be severely restricted if he stayed with Auckland, Lam moved to neighbouring North Harbour in 1995. Despite having a star-studded lineup, Harbour rarely rose above mediocrity during his time with them. Last season's inaugural Super 12 tournament offered the promise of a golden opportunity for Lam to re-establish himself when he was recruited by Canterbury Crusaders. Alas, an injury sidelined him for the entire campaign.

This year, he was not amongst the 125 players offered Super 12 professional contracts by the New Zealand Rugby Football Union. When, shortly after this rebuff, Newcastle made their generous offer, Lam felt that he – a married man with two children – really had no alternative but to sign.

It must be conceded that Lam did not set New Zealand domestic rugby on fire. However, his exploits with Manu Samoa have earned him the highest respect at international level. In addition, his high-profile transfer has already ensured he is a celebrity in British rugby circles. And, as the song insists, two out of three ain't bad! ■



SOUTH PACIFIC FORUM SECRETARIAT SUVA, FIJI

VACANCIES

The Forum Secretariat was established in 1972 by the South Pacific Forum to encourage economic and political co-operation between its member countries*, and between those states and the more industrialised countries. In order to fulfil the economic aims of the Forum Secretariat, the following two positions need to be filled:

REGIONAL COORDINATION ADVISER

The Secretariat is seeking a suitably qualified and experienced person to work as Regional Coordination Adviser in its Development and Economic Policy Division. The Regional Coordination Adviser reports to the Director of the Division and will assist the Director in the coordination of regional issues and policy initiatives including regional priority setting. (Previous applicants will be considered and need not reapply).

The Regional Coordination Adviser will:

- analyse key regional development issues and develop policy papers and advice;
- oversee coordination and development of regional policy initiatives on a broad range of sustainable development issues;
- coordinate with other regional organisations the development of regional positions on and inputs in key global issues and processes;
- develop and implement the Regional Strategy for establishing regional development priorities;
- represent the Secretariat at regional meetings; and
- provide secretarial service and technical support for the South Pacific Organisations Coordinating Committee.

Applicants must be citizens of Forum member countries* and should have an advanced degree in a development related field and at least ten years relevant experience in development issues relating to Pacific Island countries, including economic (monetised and semi-subsistence) and social issues. Extensive travel throughout the region will be required.

The appointment will carry a competitive remuneration package, starting at approximately **FJD60 150**, depending on qualifications and experience.

RESOURCES ADVISER

The Forum Secretariat is also seeking to appoint a suitably qualified person as Resources Adviser in its Development and Economic Policy Division. The Resources Adviser reports to the Director and will be responsible for coordinating regional policy initiatives and development activities in resources areas including agriculture, forestry, marine and fisheries, environment and mining.

The Resources Adviser will:

- coordinate and clarify regional priorities in resources areas;
- prepare policy advice on key resources objectives of member countries*;
- coordinate views of member countries* and regional organisations on resources issues;
- represent the Secretariat at meetings on resources issues;
- assist with the coordination of technical assistance to the resources sectors of member countries*;
- assist in the servicing and support of the South Pacific Organisation Coordination Committee.

Applicants must be citizens of Forum member countries* and should have an advanced degree and at least ten years relevant experience in resources fields, including resource economics, preferably in the Pacific. Extensive travel throughout the region will be required.

The appointment will carry a competitive remuneration package, starting at approximately **FJD 60 150**, depending on qualifications and experience.

For both positions there are generous establishment and education allowances and free medical and life insurance. For non Fiji citizens, remuneration should be **tax free** in Forum member countries*. Appointments are normally for three years, with the option to renew for a further three years.

All applications should be addressed to:

**The Secretary General
Forum Secretariat
Private Mail Bag, Suva, FIJI**

Information packages on both positions are available from the Secretariat and applicants are urged to obtain one. Inquiries should be addressed to Mr Aklesh Nand, on (679) 312600 Extn 207 or fax (679) 305573. Applications close on **30 May 1997** and should contain full information on education and career background, addresses and telephone numbers of three employment referees.

* Member States of the South Pacific Forum: Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa.

■ MUSIC

Fishy market for Ebony and Ivory singing duo

By LILI TUWAI

What would lead someone to hold a CD launch at a venue where fish odour permeates the air? Why would anyone then proceed to tell several hundred invited media and guests that the CD and music video features two female media personalities who cannot sing? And how can a reviewer then make sense out of the obvious nonsense?

Giving her explanation, Australia's popular ABC television news reader, Indira Naidoo, told the crowd how she and Helen Razer, presenter on the Triple J Youth Network became recording stars. "Helen rang me up one day, and said: 'Why don't we record a version of *Ebony and Ivory* together?'" She laughed and confirmed: 'Obviously, you are black, I'm pale white. It would visually be very funny, and the fact that both of us can't sing would be pretty hilarious.' So we hope you get the joke," repeated Indira to the audience.

The Fish Markets Auction Auditorium was chosen symbolically to parody the notorious fish and chip shop owner, the federal member for Oxley, Pauline Hanson. Commenting on the activities of Sydney's Pyrmont Fish Market, ABC Music promotions manager, Fiona Wiley, made reference several times to "this wonderful multicultural venue" during the introduction speech.

Wiley said this cover version of the Stevie Wonder/Paul McCartney song was launched as a satirical response to the recent race debate. A bonus, however, was the simultaneous release of *Face the Facts*, a publication put out by the Human Rights and Equal Opportunity Commission, which challenges some of the

myths and stereotypes held about immigrants, refugees and indigenous Australians.

Zita Antonios, the Federal Race Discrimination commissioner, spoke briefly about the level of misinformation that had led to recent "public acts of racial hatred".

Mick Dodson, the Aboriginal and Torres Strait Islander Social Justice commissioner, was the honoured speaker for the event. He told the crowd: "Humour cuts through rhetoric, misinformation and prejudice. It is often devastating in its simplicity. The best humour seeks to challenge us to think about how we view the world and to consider the many assumptions we hold as true, particularly about people from other cultures."

Dodson had begun his speech by

expressing he hoped that the irony of the fish market venue had not been lost on anyone present. He said: "I think irony is a completely different kettle of fish from humour, so I'm going to attempt not to continue down the line of irony. I am here to talk about the role of humour in the midst of intolerance."

Dodson reasoned that humour was one of the most potent weapons a community could use to highlight and disarm racial prejudice, particularly when based on solid facts.

Throughout his speech he told several jokes with a hard edge. One example was: "Pik Botha [asked] Gareth Evans at one stage, when he was foreign minister, if Aborigines had the right to vote and Evans replied, 'Yes, if they live to be 18.'" The audience was unsure whether it was appropriate to laugh or not.

Dodson went on to explain, "For many Aboriginal people the laughing in the midst of intolerance, laughing in the midst of Australia's social confusion, joking about the very racism that oppresses your people is a way for us of understanding the nation's demons and of dealing with the related sadness and grief that is too much part of our everyday life."

Indira Naidoo's family migrated to Australia from South Africa when she was young because of the apartheid system. She told an astonished audience, "I can honestly say in all the time I have lived in this country, Australia, it has been the most harmonious, tolerant place to live". Naidoo claimed that she had not experienced any serious racism or discrimination prior to the past three months when the country became embroiled in the race debate generated by Hanson. During this period her family and friends had suffered racial and verbal abuse, she said. Naidoo had received hate mail. She reasoned, "It just shows you what a serious issue that [race] has become."

What was very evident to some of the indigenous attendants was how race and class often determine the ways that people of colour are arbitrarily included and excluded within the very



Razer and Naidoo ... a melting pot of controversy

fabric of life in Australia. Referring to Ms Naidoo's high-profile media position, one critic said: "There is irony in the experience of discrimination that Indira spoke about. If she was Aboriginal she would understand that racism has been serious in this country for over 200 years."

Helen Razer's comment on the CD sleeve also caused a few raised eyebrows. She has written: "Recently, it would appear that some of our country folk have turned their virulent, irrational attentions to so-called New Australians. What's up? As if we need to add racism to the vast catalogue of global stinkiness."

Reacting to Razer's naivete, an Australian journalist said, "No, we do not need to add racism, it has been here long enough, we need to address it as a nation".

A bizarre twist to the launch was that one week earlier Razer had pleaded guilty in a Sydney court to growing marijuana in a spare bedroom. She was given a three-year good behaviour bond. Gold Coast MP and Triple J critic John Bradford called on ABC management to sack Razer. Bradford claimed Razer was not "fit and proper" to broadcast to young people because of her drug conviction.



Hanson ... sparking Australia's race debate

The *Ebony and Ivory* press release reads: "If music soothes the savage beast then perhaps the best way to slay the dragon of bigotry is by the careful musical partnering of two of this country's most well known - and diverse - female social com-

mentators." Unfortunately, according to some media analysts, the image on the CD does little to subvert racist and sexist representations.

The cover has Razer looking very Marilyn Monroe in a slinky black dress with her arms folded across the front of her body. Next to her (stuck like glue) is Naidoo with one arm wrapped around Razer and Naidoo leaning toward Razer in adoration - as if to embrace Razer in her coldness and whiteness.

In a country with so few positive images of 'otherness', 'it may have been appropriate to think more clearly about the image on the cover of the CD - even if it is in the pursuit of humour' has been the consensus of public opinions.

Does Dodson's comment that "sometimes humour may reveal the pure absurdity of intolerance and the nonsensical aspect of racism" apply also to the CD? Remarking on something that Mark Twain had once written, Dodson said, "The secret source of humour is not joy but sorrow." Dodson maintained that some of the best jokes he had heard only worked because their source was in the tragedy of real life, the depravity and the horror. ■



FORUM SECRETARIAT

VACANCY

PROJECT COORDINATOR FOR THE PACIFIC REGIONAL WASTE AWARENESS AND EDUCATION PROGRAMME

The Secretary General of the South Pacific Forum Secretariat, as the Regional Authorising Officer for the European Development Fund, invites applications from suitably qualified nationals of the European Union (EU) and the African, Caribbean and Pacific (ACP) member countries for the post of Project Coordinator for the Pacific Regional Waste Awareness and Education Programme.

The project aims to facilitate:

- improved public awareness to generate local recognition and commitment to control waste at source;
- access to clean technology, appropriate/adopted to islands and at the same time commercially viable;
- effective training programmes and institutional support to transfer/develop technology;
- comprehensive assessment of land based sources of pollution to ensure targeted pollution prevention and waste management activities.

The project will be implemented by the South Pacific Regional Environment Programme (SPREP) based in Apia, Western Samoa. The Project Coordinator will be based at SPREP and will be directly responsible to the SPREP Director through the Head of the Environment Management Planning Division.

Applicants should have a degree in environmental science or in a related field with at least five years of working experience. The nature of the project makes it essential for applicants to have some communication/multi-media expertise, and knowledge and experience of the South Pacific region.

GENERAL INFORMATION

The successful candidate will be expected to take up duties in June/July 1997 for a period of two years, and will be recruited as a EU-funded Technical Assistant to SPREP. More details on the terms of reference can be obtained from the Forum Secretariat on request (fax: [679] 312-696, telephone: 312-600).

Applications will close on 23 May 1997 and should contain information on education and career background as well as names and full contact addresses of two referees with whom the applicant has been associated with professionally. All applications must be addressed to: The Secretary General, EDF Regional Authorising Officer, Forum Secretariat, Private Mail Bag, Suva, Fiji.

■ LITERATURE

Contemporary, cultural and confessional

Figiel's novel marks new generation of Pacific writers



By **NICOLAS ROTHWELL**

Artfully subjective, relentlessly innovative, by turns charming and disquieting, but never failing in freshness and strength of observation, *Where We Once Belonged* announces the appearance on the world fiction stage of the first major representative of the Pacific's new generation of writers.

Sia Figiel, a 30-year-old performance poet, Western Samoa born, has produced an appropriately hybrid first novel, combining an open-eyed appreciation of Samoan culture with the unconstrained narrative style of Western writing in the confessional 90s.

In fact, like all substantial fiction, this is not a reductive work of political consciousness. Indeed, it's a coming-of-age novel, intimate in tone, startlingly well handled, with all the force and immediacy of lived experience. The reader travels with Sia Figiel's central character, a young Samoan girl named Alofa, through the time of adolescence, when the senses are most keen in their exploring of the world, when the set-up of life, the way things work, still seems strange and one's perception of it can still ring true.

Sex, menstruation, attraction – these are the building bricks of the book.

Sia Figiel is a knowing writer. Her style is well honed. Her performance poetry has evidently embraced some of this text, which includes fragments of verses and of Samoan-language pieces. It's a defiantly modern book – broken, pulled together from a smash of kaleidoscopic shards; composed of oblique glances and record-

ings, yet profoundly unified. There's a constant, bold passage between the individual, the specific and the general, indeed the moral: "Is there more than one surface to a human being?" wonders the narrator early in the tale, and the quest to answer this question reverberates throughout her pages, as she strips away layers of motivation, of belief, of cultural formation.

So, far from being a simple lament for the passing of Samoan culture, *Where We Once Belonged* can also be read as a kind of backhanded celebration of the persistence of Polynesian patterns of life: in the jingle-jangle of its words, the shifts of attention, the loose narration, the constant darting between traditional references and the galaxies of American television stars' names and Western consumer brands.

Sometimes one feels one's in a conventional contemporary novel, then, abruptly, the order of myth and story makes its triumphant return: "The fish took the girl by the hair, between his teeth and flew into the sea...and her body was never found again."

And so the mosaic builds up. School; family; the anticipation of sexual encounters; their harsh fruition. Modern Apia; village life; the world of newspaper headlines; the resonance of Christian religion. Lists and episodes of common life are at the centre of this mazy, unconsidered-seeming but consummately well made book. Not to give away the movement of the plot, Alofa, comes to a shattering discovery of the role of sex, and power, at the heart of her own family. She is furiously punished for a brief sexual indiscretion: "Fists blew in my eyes and mouth and cheeks and blood flowed out on to the cement floor" – and yet the relationship between Alofa and her father is changed forever by what she has seen, and learned, and what he has done – "as if I was the punisher and he the punished ... and he knew it ... and I knew it." All this is achieved, in the story, with boundless subtlety, through almost subterranean

expression. Close to the end of the account, the enigmatic figure of Alofa's aunt comes into focus. This character, Siniva, the deracinated and troubled intellectual "fool" and precursor heroine, articulates the critical, conscious vision of the modern Pacific. "Gauguin is dead! There is no paradise!" Siniva used to call out to Western tourists, who "were confused when they heard such words – most of them were shocked, shocked that someone recognised them doing what they usually did: Peeping-Tomming for a past, an illusion long dead, long buried in museums of their own making."

In a slightly over-earnest conclusion, which nevertheless makes a striking coda, Siniva takes her own life: "Suicide – it is the only way. For isn't that what we're all slowly doing anyway? Each time a child cries for Coca-Cola instead of coconut-juice the waves close into our lungs. Each time we choose one car, two cars, three cars over canoes and our own feet, the waves close in further... but tell me this once, my little dreamer, did I have a choice? Do you have a choice now that your own eyes are opened to the darkness?"

This boundlessly assured and elegant book, brimming with the intermingled feel of modern and traditional, is clearly in some sense Sia Figiel's answer. The author has already published a second book, *The Girl In The Moon Circle*, which focuses once more on the circumstances of a young girl's growing up in Samoan society.

In March this year, *Where We Once Belonged* won the Commonwealth Writers Prize for the best first book in the South East Asian and South Pacific region, upon the recommendation of three judges from New Zealand, Australia and Malaysia. The award is significant recognition, and fully deserved. This is exactly the kind of synthetic, boundary-crossing fiction an intercultural world under construction most needs.

One feels, though, that Sia Figiel stands now at a crossroads. Either she can repeat her first book's touching formula and explore the same terrain further – or reinvent her art and her personality. She faces the dilemma that awaits all writers of autobiographical fiction – the need to transcend herself.

• *Where We Once Belonged*, published October 1996 by Pasifika Press, RRP, NZ.

• An English version of Arts of Vanuatu, which was reviewed last month, is available from Crawford House Publishing, P O Box 1484, Bathurst, NSW 2795, Australia.

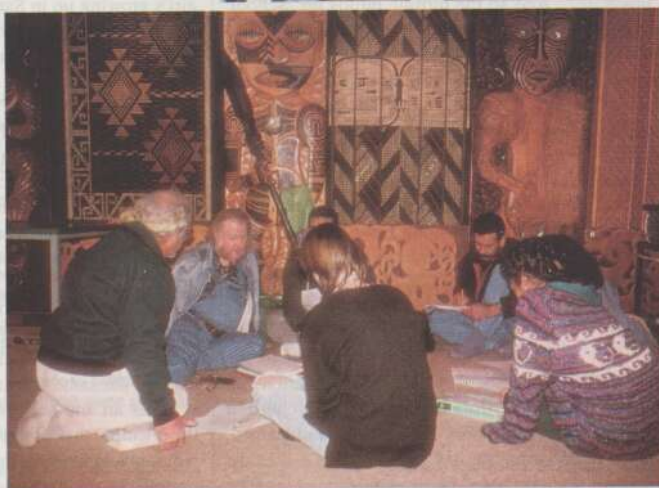
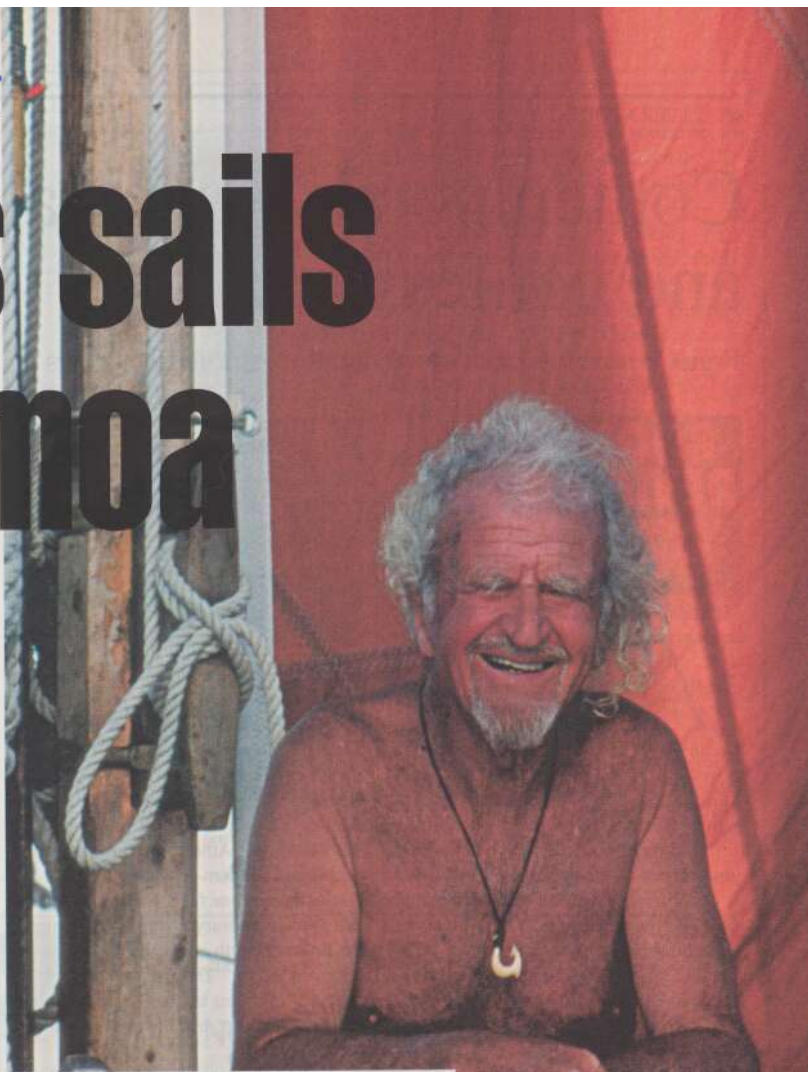
■ YACHTING

Lewis sails to Samoa

Story and photography by **SALLY ANDREW**

David Lewis – adventurer, scientist, sailor – recently returned from another voyage around the Pacific, sailing via the Cook Islands and French Polynesia to the seventh South Pacific Festival of the Arts in Western Samoa. Leaving New Zealand aboard his 27' *Southern Seas II*, Force 8 winds on the tail caused a few bumps and bruises. Afterwards, Lewis reported good fast sailing until 160 miles from Rarotonga. "Calms, then relentless northerlies. We tacked to and fro until daily log entries read 10 miles made good toward Raro."

Tired after a night hove-to off Avatiu, *Southern Seas II* made a less-than-graceful entrance into the harbour. The gear lever was accidentally kicked and the boat bashed into the dock wall, snapping the bobstay fitting. A week later, it was welded good as new. That night, however, a rare nor'wester smashed them against the dock and broke it again. They moved *Southern Seas II* to Avarua harbour



David Lewis on board the Maori Waka, Te Aurere

INSET: Lewis teaching inside a marae at Auckland University, New Zealand

and made repairs. Lewis lived in Rarotonga as a young boy and enjoyed returning home.

In Tahiti, friends from Hokule'a's 1976 voyage gave him a big welcome. "So it went in enjoyable cruising style," comments Lewis, "though trade winds this season were mostly absent." Moorea was "a haven of peace and beauty after noisy expensive Papeete" and, at remote Suvarov in the north Cooks, *Southern Seas II* found coconut crabs and no less than eight yachts anchored there.

In Raiatea, "we payed our respects to the sacred site of Taputapuātea". According to legend, in 1350, at the last great gathering of voyaging canoes, a curse was placed on the temple of Taputapuātea by a Maori *tohunga* in revenge for murder. In 1995, a flotilla of contemporary double-hulled sailing canoes from Hawaii, New Zealand, the Cook Islands and Tahiti gathered in Taputapuātea for a special ceremony. The ancient *tapu* was lifted off the sacred site. Dr Lewis spent last September in Western Samoa where 200 musicians, dancers and artisans from 21 neighbouring islands took part in the South Pacific Festival of the Arts. There were 75 cruising yachts anchored in tiny Apia harbour – you could just about step from deck to deck to get ashore. Two traditional ocean-voyaging canoes arrived – *Te Au O Tonga (Southern Mist)* from the Cook Islands, skippered by Sir Tom Davis who reported an easy five-day sail from Aitutaki. American Samoa's newly launched canoe *Folauga O Samoa (Navigators of Samoa)* had problems with high seas and reported a 19-hour roller coaster ride. In the end, they were towed into port.

According to Dr Lewis, a workshop on "ceremonial navigation" by Sosthenes Emwalu of Puluwat (Micronesia) made the whole festival worthwhile. Lewis explains: "Ceremonial navigation is the spiritual and ritualistic side of the art...knowing how to navigate by the stars, waves and winds as well as how to predict weather, use medicines, sing chants and call on magic for fishing and planting."

In general, though, the symposium on non-instrument navigation was a

shambles. "It was poorly organised [and] largely videos of Hokule'a's trips ...[which were designed] as presentations to Hawaiian school kids [rather than spurs to] serious debate. Hekenukumai Busby, builder/owner of New Zealand's voyaging canoe *Te Aurere*, got squeezed out of the programme and it was pure chance I heard the Puluwat delegation was there at all. I rushed over just before they left and, sure enough, there was the old pirate and master navigator Hipour looking unchanged after 28 years. [It was] a great joyous reunion!"

After the festival at Apia, *Southern Seas II* headed back to Auckland via Vava'u which Lewis calls "a yachting paradise" and Nuku'alofa, capital of the Kingdom of Tonga. After a fast trip towards New Zealand, "we were stopped in our tracks 150 miles off Opuā – by southerlies this time. Oh, I do want a boat that can go to windward".

Lewis and his boat are now in Auckland, moored up a creek in a friend's back garden. "A rather dull prospect after the islands but I must get to writing sometime." ■

SOPAC

DIRECTOR and PROGRAM MANAGER

Applications are invited from nationals of South Pacific Applied Geoscience Commission (SOPAC) member countries for the positions of Director and Program Manager of the Secretariat based in Suva, Fiji.

SOPAC is a South Pacific regional organisation with membership including Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Guam, Marshall Islands, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa. Associate members are New Caledonia and Tahiti Nui.

SOPAC's main objective is to assist member countries in the identification, development and management of non-living resources, in the management of development and protection of the marine environment especially in coastal areas and in the training of their nationals in all areas within SOPAC's mandate.

Secretariat

The Director is responsible for the overall management of the Secretariat, which currently has a staff establishment of 42 people of whom about half are professional or technical staff recruited internationally. The Director is supported by a Program Manager who has responsibility for management of the technical programs.

Qualifications

Applicants for both positions should have a sound understanding of the Pacific Islands region and should be capable of developing effective relationships with the member countries of SOPAC and with other Governments and organisations providing funding, technical and scientific support to SOPAC.

Applicants for the Director position should in addition have proven leadership qualities, management ability and experience in leading a multidisciplinary team effort. A commitment to the aspirations of the Pacific Islands peoples and good health. An academic qualification, preferably related to geoscience, will be an advantage.

Applicants for the Program Manager position should have a degree in one of the earth sciences and research experience in geology or geophysics, the ability to provide technical and managerial leadership, and to lead a multidisciplinary team effort. A commitment to the aspirations of the Pacific Islands peoples and good health are also required.

Remuneration

An attractive remuneration package at regional levels will apply.

Terms of Appointment

The appointments will be for 3 years initially, and may be renewable for a further 3 year contract. Selections are expected to be made in October 1997, for commencement of duties in January, 1998.

Applications

All applications should be fully documented and include details of work experience and qualification and the names of at least three referees. Applications for the Director position to be marked "Director Application", should be addressed to the Chairman of SOPAC and should reach the following address by **July 31, 1997**. Applications for the Program Manager position to be marked "Program Manager Application", should be addressed to the Director of SOPAC and should reach the following address by **30 September, 1997**:

SOPAC Secretariat
Private Mail Bag, GPO
Suva, Fiji.

Further information on the above positions can be obtained from the Finance and Administration Controller, SOPAC Secretariat, on Telephone 381-377, Fax 370-040 or E-mail umar@sopac.org.fj.

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■ OPINION

The Pacific paradox

Forum faces task of overcoming barriers to economic growth



David Barber

WELLINGTON

Four years have passed since the World Bank produced its report on island economies that introduced the phrase "The Pacific Paradox" into the regional lexicon. It defined it as follows: "Virtually no growth occurred in real per capita income during the last decade or so despite a favourable natural and human resource endowment, high levels of aid and reasonably prudent economic management."

It posed the question why the Pacific island countries were performing so badly compared to similar states in the Caribbean and Indian Ocean, which had the same disadvantages of small internal markets, narrow production bases, high infrastructure costs, heavy dependence on foreign trade and tourism and vulnerability to external shocks and natural disasters.

It is a situation that has long worried New Zealand and Australia, who more than any other nations want to see their Pacific neighbours achieve sustainable economic growth and higher living standards. While there has been no dramatic turnaround in their economic fortunes since the World Bank report in 1993 – and indeed some setbacks – it would not be true to say no progress has been made. In fact, there is considerable evidence that the island states – who previously tended to put economic reform in the too hard basket – now recognise what they have to do. They may not all be ready to bite the bullet, but at least they have taken it out of the box and are thinking about sharpening their teeth.

As I have previously noted, South Pacific Forum leaders took a big step forward at Majuro last year, holding an extended debate on the issues and acknowledging the need for moves in the direction of tariff reform, investment transparency and the development of a vibrant private sector. The Forum's task this year is to follow that up with an action plan and formal work programme on the measures needed to overcome the barriers to economic growth and chart the course to sustainable development.

It is without doubt the single most important issue facing the island states and as we move towards the coming Pacific Century time is running out for action not words – for real progress not rhetoric. The island countries of the Pacific are at a crossroads. To put it bluntly, they either stay as they are and accept increasing

irrelevance in the new global economy or embrace change and play a full and active role in the community of nations.

As the World Bank said: "Development of the small and scattered economies can come about only through effective economic engagement with the rest of the world." This requires not just acknowledging that the days of high tariffs, import protection, cost-set public services and other out-dated practices of an inward-looking society are over. It also requires a positive commitment to create nations and a region that are vital integral parts of the increasingly competitive international economy.

The stakes are high for present and future Pacific generations – prosperity and pride or poverty and economic oblivion. The Majuro Forum having set the scene, the island states now have the opportunity to put 1997 into the history books as the year they launched into action. Take-off should come in a couple of months when Forum Economic Ministers meet for the first time, in accordance with a decision by their leaders at Majuro. This gathering, which follows meetings of Finance Ministers in the last two years, is charged with drawing up a framework for policy change and an action plan to put before leaders when they meet again in Rarotonga later this year. Its importance cannot be overestimated. The ministers will have a wide-ranging brief to discuss just about every aspect of policy affecting their economies. The issues on their agenda will not be new. By now, politicians and officials of all the island states will be familiar with topics like public sector reform, privatisation, taxation, investment and tariff policy. But for the first time, ministers with responsibility for all these areas will sit down together with the common objective of drawing up national and regional strategies to put all the threads together into one coherent whole.

Their overall aim: To define the basic social and economic infrastructure they need to put in place to ensure that a small Pacific island economy is viable and sustainable in the long term.

It will not be easy because the ministers know already – from New Zealand's reforms over the last decade and more recently from the Cook Islands' experience – that the process of change is bound to be painful and politically unpalatable. In addition, the ministers will have to consider regional responses to external developments, including the rapid changes taking place in the world economy.

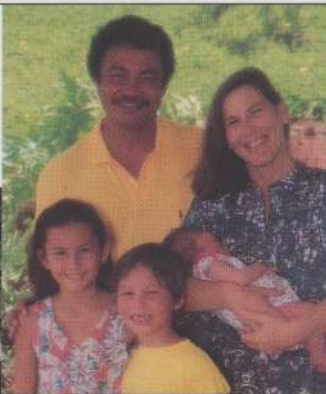
New trading arrangements under the World Trade Organisation, the far-reaching liberalisation programme of the Asia Pacific Economic Co-operation forum and the European Union's review of the current Lome Convention which expires in 2000, will all affect the island states, no matter how small their economies. The bottom line is the need for every country to live within its means and be as self-reliant as possible. It will all take time and nobody expects miracles overnight. But the now apparent general acceptance of the need to do something about the region's over-protected economies and to make them work better is one of the most significant developments in the Pacific for many years. It can truly be said that there is now cause for optimism. ■

• Regular columns by Debbie Singh and Jemima Garrett have been not included this month due to unforeseen circumstances.



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