Rethinking Fiji Coups: Corporate Domination and an Unseen Order

By

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A thesis presented in fulfillment of the requirements for the degree of
Doctor of Philosophy

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May 2010

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Dedication

For my parents: in memory of my father, who died when I was too young to remember him, and to my late mother, who had an unshakeable belief that one can only realise one’s true potential through an endless quest for knowledge, which educes one’s ability to creatively imagine, originate or challenge ideas, wherein lies one’s ultimate freedom.
Acknowledgements

This thesis would not have come to fruition if I had not been introduced by a friend to my principal supervisor, who counseled me to enroll, became a mentor during the initial stages and, finally, a guru in the literal sense of the word.

Therefore it is with deep gratitude that I acknowledge the support and the role Professor Bob Hodge has played as my supervisor since my part-time enrolment in 2005. I also offer my sincere thanks for his generosity, supervision, encouragement, guidance and inspiration in many moments of darkness and despair.

I express my sincere gratitude and thanks to my co-supervisor Associate Professor Brett Neilson for his kindness, supervision, encouragement and assistance throughout the completion of this thesis.

To the library staff at Parramatta and Bankstown campuses and at the Ward Library of the University of Western Sydney, I offer my thanks for their assistance and co-operation in securing many books and materials not readily available. I am also indebted to my colleagues at the Centre for Cultural Research, University of Western Sydney, for their support and friendship throughout the duration of my candidature. My special thanks and gratitude go to Kathleen Olive of the Writing and Society Research Group for her professionalism and attention to detail in proof-reading and suggesting changes to the final version of this thesis.

The assistance and kindness of my many friends and colleagues are gratefully acknowledged. In particular, I would like to thank Libby Reade, Sundar Lal, Kim Weaver and Michael Kidd. A number of friends and colleagues provided information or helped during my visit to Fiji, but in view of continuing political turmoil and potential risk to individuals I feel it is prudent not to divulge their names. I am sure they understand this dilemma, know who they are and accept my sincere appreciation and thanks.

Most of all, my special debt and appreciation to my soul mate who put up with my long hours and mood swings to support me in a thousand ways without realising how much it all meant to me. If only she knew: sometimes we say most when we say nothing at all.
Statement of Authentication

The work presented in this thesis is, to the best of my knowledge and belief, original except as acknowledged in the text. I hereby declare that I have not submitted this material, either in full or in part, for a degree at this or any other institution.

Signed by the Candidate, Gopal Nair, at Sydney on day of 2010.
Map of Fiji Islands
Source: www.oceania-turismo.com
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ABBREVIATIONS

For the sake of clarity and brevity, the following abbreviations have been used in this presentation:

ACP  African, Caribbean and Pacific
ADB  Asian Development Bank
ALTA  Agricultural Landlords and Tenants Act
ALTO  Agricultural Landlords and Tenants Ordinance
ANC  All National Congress (western Viti Levu-based multiracial party)
APEC  Asia Pacific Economic Cooperation
ASIO  Australian Security Intelligence Organisation
CIA  Central Intelligence Agency of the USA
CRC  Constitutional Review Commission
CSR  Colonial Sugar Refining Company Limited
EPA  Economic Partnership Agreement
EU  European Union
FAO  Food and Agricultural Organisation
FAP  Fijian Association Party (indigenous party led by Kamikamica and, after his death in 1988, by Adi Kuini Bavadra)
FDB  Fiji Development Bank
FEMM  Forum Economic Ministers Meeting
FICs  Forum Island Countries
FLP  Fiji Labour Party
FNP  Fijian National Party (nationalist indigenous party led by Sakiasi Butadroka)
FNPF  Fiji National Provident Fund
FSC  Fiji Sugar Corporation (successor to CSR)
FSM  Federated States of Micronesia
FTIB  Fiji Trade and Investment Board
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>GATS</td>
<td>General Agreement on Trade and Services</td>
</tr>
<tr>
<td>GATT</td>
<td>General Agreement on Trade and Tariffs</td>
</tr>
<tr>
<td>GCC</td>
<td>Great Council of Chiefs</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>MHR</td>
<td>Member of the House of Representatives</td>
</tr>
<tr>
<td>MNC</td>
<td>Multi-national Corporation</td>
</tr>
<tr>
<td>NFP</td>
<td>National Federation Party</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Government Organisation</td>
</tr>
<tr>
<td>NLTB</td>
<td>Native Land Trust Board</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
</tr>
<tr>
<td>PACER</td>
<td>Pacific Agreement on Closer Economic Relations</td>
</tr>
<tr>
<td>PANU</td>
<td>Party of National Unity (party led by High Chief of Ba and Apisai Tora)</td>
</tr>
<tr>
<td>PICs</td>
<td>Pacific Island Countries</td>
</tr>
<tr>
<td>PIF</td>
<td>Pacific Island Forum</td>
</tr>
<tr>
<td>PICTA</td>
<td>Pacific Island Countries Trade Agreement</td>
</tr>
<tr>
<td>PICs</td>
<td>Pacific Island Countries</td>
</tr>
<tr>
<td>SDL</td>
<td>Soqosoqo ni Duavata ni Lewenivanua (indigenous party led by Qarase)</td>
</tr>
<tr>
<td>SIDS</td>
<td>Small Island Developing States</td>
</tr>
<tr>
<td>SPARTECA</td>
<td>South Pacific Regional Trade, Economic and Cooperation Agreement</td>
</tr>
<tr>
<td>SVT</td>
<td>Soqosoqo ni Vakavulewa ni Taukei (indigenous party led by Rabuka)</td>
</tr>
<tr>
<td>TNC</td>
<td>Trans-national Corporation</td>
</tr>
<tr>
<td>USP</td>
<td>University of the South Pacific</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>VKB</td>
<td>Vola ni Kawa Bula (kinship and land ownership register for indigenous Fijians)</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>WUF</td>
<td>Western United Front (western Viti Levu indigenous party led by Osea Gavidi)</td>
</tr>
</tbody>
</table>
PRONUNCIATION OF INDIGENOUS FIJIAN WORDS

In indigenous Fijian orthography, some letters have uniquely unusual consonant sounds quite different from English, which give them some distinctive features:

<table>
<thead>
<tr>
<th>Letter</th>
<th>Pronunciation</th>
<th>Example Word</th>
</tr>
</thead>
<tbody>
<tr>
<td>b</td>
<td>mb</td>
<td>as in ‘number’ or ‘tomboy’</td>
</tr>
<tr>
<td>c</td>
<td>th</td>
<td>as in ‘the’ or ‘that’</td>
</tr>
<tr>
<td>d</td>
<td>nd</td>
<td>as in ‘lender’ or ‘find’ or ‘end’</td>
</tr>
<tr>
<td>j</td>
<td>ch</td>
<td>as in ‘choose’</td>
</tr>
<tr>
<td>g</td>
<td>ng</td>
<td>as in ‘singer’</td>
</tr>
<tr>
<td>q</td>
<td>nqq</td>
<td>as in ‘finger’</td>
</tr>
</tbody>
</table>

Vowel sounds are pronounced like Italian vowels, as these examples demonstrate:

- Cakobau: Tha-kom-bau
- Cakaudrove: Tha-kaun-dro-veh
- Jale: Cha-leh
- Korociriciri: Ko-ro-thee-ree-thee-ree
- Penaia Ganilau: Pen-eye-a Nga-ni-lau
- Timoci Bavadra: Tim-or-the Mba-vahn-dra
- Qiqiwaqa: Nqqing-gi-wahng-qa

GLOSSARY OF INDIGENOUS FIJIAN TERMS USED

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adi</td>
<td>honorific prefix to a chiefly female name</td>
</tr>
<tr>
<td>bati</td>
<td>warrior-state</td>
</tr>
<tr>
<td>Boselevu vaka Turaga</td>
<td>Great Council of Chiefs (GCC)</td>
</tr>
<tr>
<td>Confederacy</td>
<td>alliances of matanitu based in Eastern Fiji</td>
</tr>
<tr>
<td>girmit</td>
<td>indenture in Hindi, originally from the word ‘agreement’</td>
</tr>
<tr>
<td>girmitiya</td>
<td>indentured labourer who originated from India</td>
</tr>
<tr>
<td>kerekere</td>
<td>neighbourly borrowing</td>
</tr>
<tr>
<td>koro</td>
<td>village</td>
</tr>
<tr>
<td>kocokoco</td>
<td>selfish</td>
</tr>
<tr>
<td>lamulamu</td>
<td>coward</td>
</tr>
<tr>
<td>matanitu</td>
<td>political units forged through alliance or warfare from groups of vanua, especially in Eastern Fiji</td>
</tr>
<tr>
<td>matanivanua</td>
<td>ambassador, spokesperson</td>
</tr>
<tr>
<td>mataqali</td>
<td>sub-clan or family unit owning land, descended from the son or founder of a yavusa</td>
</tr>
<tr>
<td>papalaqi</td>
<td>white man</td>
</tr>
<tr>
<td>Ratu</td>
<td>honorific title to chiefly male name</td>
</tr>
<tr>
<td>sevusevu</td>
<td>offering</td>
</tr>
<tr>
<td>Taukei ni qele</td>
<td>owner of soil, indigenous Fijian of Melanesian descent</td>
</tr>
<tr>
<td>i tokatoka</td>
<td>closely related or extended family, subgroup of mataqali</td>
</tr>
<tr>
<td>Tui</td>
<td>title reserved for a chief</td>
</tr>
<tr>
<td>turaga</td>
<td>chief or gentleman</td>
</tr>
<tr>
<td>Turaga-ni-koro</td>
<td>village headman</td>
</tr>
<tr>
<td>vanua</td>
<td>land, region or confederation</td>
</tr>
<tr>
<td>vulagi</td>
<td>foreigner/stranger or guest/visitor</td>
</tr>
<tr>
<td>yagona</td>
<td>drink made from root of piper methysticum, also called kava</td>
</tr>
<tr>
<td>yavusa</td>
<td>largest kinship or social division, descent group from founding ancestor</td>
</tr>
</tbody>
</table>

TIMELINE OF KEY DATES AND EVENTS RELEVANT TO THE THESIS

1874  Fiji Islands ceded to Britain by Ratu Seru Cakobau and 12 prominent chiefs.

1879  First batch of Indian indentured labourers arrive from India aboard a ship called Leonidas.

1920  Indenture system is formally abolished.

1940  NLTB is established by Colonial Government and GCC, led by Ratu Sir Lala Sukuna.

1964  NFP is formed by members of Maha Sangh under the leadership of A.D. Patel, supported by S.M. Koya and James Madhavan.

1966  Alliance Party is established by Fijian chiefs under the leadership of Ratu Mara.

1966  Inaugural election is held along party lines. Alliance Party wins 22 of 34 seats in the Legco.


1972  1st elections held. Ratu Mara becomes Prime Minister after Alliance Party wins.

1977  2nd elections held. NFP wins but unable to form government due to internal dissension on choice of Prime Minister and intervention by the Governor-General. Parliament is dissolved.

1977  3rd election held. Ratu Mara returns as Prime Minister after Alliance Party wins.

1982  4th election held. Ratu Mara remains Prime Minister but elections marred by Carroll Affair.

1985  Fiji Labor Party (FLP) is formed under the leadership of Dr. Timoci Bavadra.

1987 April 5th  election held. Fiji Labour Party (FLP) and NFP Coalition win and form a coalition government led by Dr. Timoci Bavadra as Prime Minister.

1987 May   **First coup** led by Lieutenant-Colonel Sitiveni Rabuka and soldiers from Royal Fiji Military Forces. Bavadra government is overthrown illegally, held captive for 6 days and then freed.

1987 Sept.  **Second coup** carried out by Rabuka. Fiji is declared a Republic.

1992  6th election held. Sitiveni Rabuka becomes Prime Minister after Soqosoqo ni Vakavulewa ni Taukei (SVT) party wins under a new but racist 1990 Constitution.

1994  7th election held. SVT wins and Rabuka is reinstated as Prime Minister.

1999 May  8th election held under a revised 1997 Constitution. On 19/5/99, Mahendra Chaudhry sworn in as Prime Minister after FLP wins and forms a coalition with Veitokani ni Lewenivanua Vakarisito (VLV), Party of National Unity (PANU) and the Fijian Association Party (FAP).

2000 May  **Third coup** executed by George Speight backed by rebel soldiers and nationalists. Chaudhry government held hostage in the parliament for 56 days. Military carries out a counter coup, declares martial law, requests President Mara to step aside, paving the way for Laisenia Qarase to become interim Prime Minister by way of special appointment.

2001 Sept.  9th election held. Laisenia Qarase returns as Prime Minister after Soqosoqo Duavata ni Lewenivanua (SDL) wins 31 out of the 71 seats.

2006 Dec.  **Fourth coup** executed by Commodore Bainimarama after continuing disagreements with Qarase government over three key pieces of legislation, the pardoning of certain chiefs and other key figures implicated in the execution of the third coup.

Sources: Lal 1992; Lal 2006; Robertson & Tamanisua 1998; various media sources.
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ABSTRACT

Fiji has been buffeted by three waves of external influences that profoundly reconfigured its demographics, national identity and polity, and laid the foundation for contemporary conflicts. This thesis argues that an unseen order was externally imposed and then covertly consolidated during the three distinctive phases of Fiji’s politico-economic development (colonialism, neocolonialism and neoliberalism). Against the backdrop of this periodisation, it examines the interpolation of this unseen order in the country’s political processes and its impact on the three coups between 1987 and 2000. It argues that the unseen order and its complex web of interdependencies still exist and continue to serve the interests of the trans-national corporations and the dominant regional powers, closely allied with the indigenous Fijian ruling elites and the local corporate interests. The nature of their commercial arrangements, political alliances and allegiances remains literally ‘invisible’ and actualises an ‘unseen’ economic and political reality that facilitates exploitation of the country and its populace. It is suggested that, far from a product of conspiracy theory, this unseen order fiercely competes for the control of the country’s resources and its national psyche, thereby generating a substratum of thrust and counterthrust which contributes to the recrudescence of sporadic violence and a coup culture. The dominant narratives on the first three coups strongly impressed a sense of an ethnocultural conflict without critical consideration of the deeper rationale beyond the ‘perceived’ inter-ethnic confrontations.

This thesis sets out to demonstrate the omissions and inconsistencies in the justifications for the coups, arguing that a real but unmanifested conflict existed between the strategic objectives of a hegemonic paradigm and other forces allied with the ruling indigenous elites, against the aspirations of ordinary indigenous Fijians and the diasporic labour force that transmigrated from the sub-continent. In the light of this overarching consideration, the study identifies and interrogates a number of endogenous myths about the conflicted developments in Fiji and attempts to deconstruct them by confronting the continuing indigenous Fijian acceptance of the unseen order. Historically, their raison d’être has been largely exploitive and detrimental to indigenous Fijian interests, yet they appear to be more affronted by calls for the restoration of democratic traditions and power-sharing with their compatriots in a government with fair ethnic composition. Accordingly, the thesis asserts that the image of the ‘three-legged stool’, as metaphorically utilised by Ratu Lala Sukuna, has largely disappeared from the post-colonial and post-coup discourse. It suggests that the ‘third leg’ has become not only invisible but fully integrated with the unseen order, losing its original symbolism to become a tertium comparationis subsumed by the fantasies of Fiji’s political intrigue and melodrama.
Chapter 1

Introduction

1.1. Conceptualisation of the Research and an Unseen Order

Fiji is generally accepted as the focal point of the South Pacific: a micro-state regarded as geostrategically significant to the United States, Britain, the European Union and the regional powers, Australia and New Zealand. It is reasonably well-endowed with natural resources and represents a collection of over 330 volcanic islands that was for 96 years a British colony, until its independence in 1970. Fiji’s short but colourful modern history lends itself to contextualisation against three waves of external influences - colonialism, neocolonialism and neoliberalism - that have profoundly reshaped its ideological and ethnic orientations together with its contemporary setting.

In the early 1800s the European presence was identifiable in an assortment of carpetbaggers, traders, missionaries and escaped convicts. They came to be regarded by more contemporary commentators as the ‘harbingers of the new order’, which facilitated the exploitation of the ‘natives’ for a ‘few trinkets’, wreaked havoc on the environment and essentially regarded Fiji (and the greater Pacific Region) as a repository of inexpensive raw materials or produce from agriculture,¹ as well as a source of indigenous ‘blackbirded’ labour.² Conversely, they saw Fiji and the South Pacific as a diminutive market for manufactured consumer goods from Australia, New Zealand and European countries. The first seven decades of the nineteenth century were marred by intense intra-Fijian rivalries, the manipulation and mistreatment of the indigenes by the Europeans, later marked by the conversion of indigenous Fijians to Christianity.³ Following Fiji’s cession to Britain in 1874, the colonial administration imagined its new acquisition as a ‘white colony’ and covertly sanctioned a range of socio-economic policies that were segregationist in nature and which allowed special privileges for the white settlers.⁴

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¹ Howard 1983, p. 264.
² Mortensen 2000.
The intervention through British colonialism was primarily motivated by and predicated upon profitability and self-sustainability of the new colony. The British diligently went about creating conditions attuned to the broader objectives of the white settlers and powerful colonial enterprises, most notably CSR, responsible for providing substantial original developmental capital. Through the codification and introduction of a Fijian Administration system the colonial power dealt with the native problem, simultaneously securing vast tracts of suitable land for agriculture and its development priorities. Concomitantly, it arranged for the transmigration of ‘Indians’ from the sub-continent under a system of contract labor (girmit) to satisfy the requirement for human capital to make the colony economically viable.

Throughout its colonial and post-colonial phases Fiji periodically experienced intra-state conflicts involving its three major ethnic communities (indigenous Fijians, Indo-Fijians and Euro-Fijians), but in the context of the discourse on recent coups the conflicts are portrayed and essentialised as a product of inter-ethnic tension between the two predominant communities (ethnies): indigenous Fijians and Indo-Fijians. The segregation of the three communities by stealth had engendered their adaptation to differing ideological terrains, further exacerbating simmering underlying tensions, but inter-ethnic relations in Fiji could, by and large, be characterised as a form of peaceful co-existence until May 1987. Historically, the two dominant communities continued to contest their political rights from opposing perspectives: indigenous Fijians, allied with the Europeans, relied on the Deed of Cession as guaranteeing their

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5 In Western political theory, colonialism emerges as an ideology involving direct political/sovereign control over or subjugation, displacement, extermination and/or exploitation of indigenous peoples of weaker states (mostly Third World countries of the South) by settler populations from mostly powerful European countries, between the eighteenth and twentieth centuries – until most Third World colonies achieved political liberation by the mid-twentieth century. Referred to interchangeably as imperialism, it was justified in terms of a set of European ethnocentric beliefs, worldviews or pseudo-scientific theories to legitimize its praxis and supported by many contemporary western moral and political philosophers.


7 Post-colonial is used in the sense of asserting the end of the colonial period through the de-colonisation process, although it is acknowledged throughout this thesis that colonialism or imperialism has never really ended. The non-hyphenated version, as in postcolonial, refers to a particular school of literary and/or cultural criticism called postcolonialism, popularised by leading figures like Edward Said, Homi Bhabha, Frantz Fanon, Gayatri Spivak, and Robert Young. Spivak (1996, p. 42, cited in D’Cruz & Steele 2003, p. 27) has argued the term post-colonial ‘has become not only useless but counter-productive’ because, despite presumed post-coloniality, colonial representations and negative attitudes remain prevalent (see Said 1994, p. 45). Leela Gandhi (1998, p. 4) defines postcolonialism as ‘a theoretical resistance to the mystifying amnesia of the colonial aftermath. It is a disciplinary project devoted to the academic task of revisiting, remembering and, crucially, interrogating the colonial past.’

8 The British classified Fiji citizens by their race, a racist ideological construct that persists today. Despite arguing for a common identity, for ease of presentation, this study maintains the dichotomy of dominant ethnies: the descendants of the immigrant settler community from the sub-continent are referred to as Indo-Fijians, whereas the first settlers or native Melanesian population (the Taukei or Kai Viti) are identified as indigenous Fijians. The white settler population is referred to as Europeans or Euro-Fijians, but there was never any dispute regarding their identity.

paramountcy\textsuperscript{10} and invoked the provisions of the 1970 Constitution to safeguard their inalienable title to land in perpetuity, whereas the Indo-Fijians prosecuted their claim to equal citizenship under the ‘doctrine of equality of political rights…in a democracy’.\textsuperscript{11}

Several conceptions of paramountcy were cleverly manipulated and appropriated as a political weapon in the development of indigenous attitudes to ‘others’. The claim to paramountcy was regularly cited by the indigenous Fijians and Europeans to justify and disallow equal rights to the Indo-Fijians.\textsuperscript{12} When the first challenge to political supremacy materialised as far back as 1977 and the Alliance Party unexpectedly lost power, a great deal of anxiety was felt by the indigenous Fijian elites at the thought of relinquishing political control. Indigenous paramountcy is central to the ideology of their chiefly-cum-vanua complex,\textsuperscript{13} and in their hierarchical delineation the notion of the divine appointment of their chiefs is highly revered and accepted without question. Thus, any secular challenge to their authority through the introduction of a foreign concept of democracy was considered an affront to their natural rulers.\textsuperscript{14} Later, the twin obsessions with paramountcy and sole custodianship of land were conflated with the core issues of the Fijian Question, dealing with indigenous despondency over their economic backwardness, their overall level of educational underachievement, and the perception of threats to their native titles administered by the NLTB.\textsuperscript{15} They were almost universally relied upon as co-explanations for the coups, but cogent arguments exist that counteract claims to their relevance, justifiability and applicability to the conditions leading to the coups. These issues are developed and discussed in Chapters 2 and 3 of this thesis.

The key justification disseminated through the media for the first three coups led to the creation of a perception of racial antagonism between indigenous Fijians and Indo-Fijians, aggravated by

\textsuperscript{10} The British led indigenous Fijians to believe their interests in the colony would be ‘paramount’ (Lal 2006, p. 3). According to The New Webster Encyclopedic Dictionary of the English Language paramount means: (a) ‘superior in power of jurisdiction (lord paramount, the supreme lord of a fee or of lands, etc.); eminent; of the highest order; superior to all others’ or (n) ‘Chief, highest in rank or order’; and, paramountcy (n) ‘the condition of being paramount’. The British deployed the concept of paramountcy to deflect European claims to responsible government. Europeans later re-oriented paramountcy to counter Indo-Fijian threats to European racial and political privileges whilst simultaneously positioning indigenes against Indo-Fijians. Lal has argued the phrase ‘paramountcy of [indigenous] Fijian interests’ has been mistakenly attributed to the Deed of Cession, invoked during the twentieth century by indigenous Fijians and Europeans to stymie political change. The word was originally used in a ‘protective sense’ to manage Fijian affairs, on the proviso that it would give ‘paramount’ importance to the views of indigenous Fijians and their leaders. More assertive meaning was assigned to it as independence loomed, broadly suggesting ‘Fijians would enjoy rights and privileges over and above those of their fellow citizens’ (Lal 2006, p. 4). Now, it means that only indigenous Fijian political hegemony could guarantee the paramountcy of their interests.

\textsuperscript{11} Carroll 1994, p. 308.

\textsuperscript{12} Carroll 1994, p. 309; see also Lal 2006; Durutalo 1986.

\textsuperscript{13} See Ratuva 2002c.

\textsuperscript{14} Durutalo 1986.

\textsuperscript{15} Sutherland 2000, pp. 206–207.
The ‘perceived’ threats posed by Indo-Fijians to the indigenous paramountcy. The deeper rationale for the indigenous Fijian grievances agglomerated as the so-called ‘Fijian Question’ was not thoroughly investigated and reported by the media, who were more preoccupied with sensationalising the political controversy with undertones of indigenous racial intolerance. There is little dispute that proto-racism played a part in the historical progression of the Fijian state, defining the boundaries of its cultural mix within a plural society\textsuperscript{16} and the corresponding obligations of its citizens, but it will be argued that rabid racialist ideology was not the prime motivation for staging the coup d’\textsc{etats}. The tacit endorsement of proto-racism, which was integral to and formed part of the colonial and post-colonial milieu, was briefly challenged by the Mara government’s policy of multiculturalism in the wake of independence. In the post-colonial society, racism\textsuperscript{17} continued to periodically rear its ugly head as various forms of neo-racist practices forcing the state to renegotiate subtler experiences of ethno-racism. White against black racism became the great unmentionable, however, even though manifestations of neo-racism persisted and racial categorisation continued to feature prominently as the state ideology. Therefore, whilst it will be argued that it was definitely a contributing factor, racism in and of itself did not serve as the main inspiration for instigating coups. The underlying causes were far more complex and unpalatable to the ruling indigenous elites allied with external corporate interests.

The perception of racial tensions resulting from the three coups had animated the media and brought Fiji notoriety, but the post-coup milieu did not deteriorate into prolonged periods of violence, although short spells of widespread riots did break out in the main cities, directed against the Indo-Fijians and their businesses. These were quite similar to the recurring phenomenon of the anti-Chinese riots in Indonesia in the 1990s, which flared up again in May 1998 when the ethnic Chinese were attacked, and their businesses and private properties set alight. The difference in Fiji was that, unlike the anti-Chinese riots which claimed hundreds of

\textsuperscript{16} \textit{Refers to states created during colonialism wherein populations remain culturally heterogeneous (Furnivall 1948).}

\textsuperscript{17} \textit{The term racism is understood as a cultural construct, essentially a meme of cultural transmission, replicated and copied in profusion for its longevity, which is accomplished by its ubiquitous, unchallenged and repeated use in the media as well as in the academy (see Dawkins 1976, pp. 203–215). Kovel (1988, p. 3) defines racism as ‘far from being the simple delusion of a bigoted and ignorant minority, …a set of beliefs whose structure arises from deepest levels of our lives – from the fabric of assumptions we make about the world, ourselves, and others, and from the patterns of our fundamental social activities.’ In his psychoanalytical/historical study of ‘white racism’ he identifies three types of racism and its associated phantasies: dominative (oedipal), aversive (anal-sadistic) and metaracism (oral). Metaracism is ‘the racism of technology, i.e. one without psychological mediation as such, in which racist oppression is carried out directly through economic and technocratic means’ (Kovel 1988, p. lv). It marks continuity in neo-racism against the mostly coloured underclass, brought on by economic injustice, deprived educational opportunities, lack of public housing, and the creation of stultifying urban enclaves or ghettos fostered by the inevitability of technocratic and economic system. It is seen as more dangerous for it pretends to oppose racism without relinquishing racist dogmas, by pigeonholing individuals/groups into their historically contingent cultural genealogy (Kovel 1988) and, thus, morphs into a form of ‘racism without races’ (Balibar 1991, p. 21).}
lives, extensive damage to property, and a large number of Chinese rape victims, the extent of the violence in Fiji was considered moderate, and although rapes of Indo-Fijian women were reported they were far fewer in numbers, even if no less horrifying. The key similarity was the insider/outsider representation based on ethnicity, generating a sense of hostility due to perceptions of success and exploitation of the indigenes by the ‘other’, the alien, or the outsider. In addition, the behavior of the many distressed indigenous Fijians who assisted the Indo-Fijians debunks the race-centric theory, as does the fact that indigenous Fijians are not innately racist, but as a community they too have been tarnished by the demands of some racist elements and extremists in their midst. The nationalists/Taukeists considered moderate indigenous Fijians as too closely allied with Indo-Fijians, and invoked the power of kinship loyalties to delegitimise the latter’s access to political power or even the sharing of power

Over the last two decades, Fiji has been catapulted into a maelstrom of political turmoil as a result of the rise of indigenous radicalism. Between May 1987 and September 2000, three destructive and destabilising coups were executed, and a fourth transpired in December 2006. This thesis aims to explain the perceptions of inter-ethnic conflict and the fallout from conflicted developments by re-evaluating and further interrogating key dimensions of the conflict which, it argues, were previously underexplored in critical analyses of the coups. The coups prompted seismic shifts in the mindset of political leadership, legitimate and illegitimate, with regard to the possibilities for state-induced changes that profoundly re-structured and redefined the realities of contemporary Fijian society. Therefore, by understanding the coups and probing the omissions, inconsistencies, contradictions and discrepancies in its narrative, this thesis aims to provide a better understanding of the social, economic and political realities in Fiji

To realise this aim the thesis has a number of foci: first, it contemplates the establishment of an early British colonial order and explains its evolution by unraveling the intricacies of a contrived hegemony: a politico-economic paradigm preserved in Fiji throughout the three phases of its recent history. It then recognises the transformation of the original order into a post-colonial order; more recently, signifying the emergence of a powerful neoliberal hegemonic paradigm which co-integrates its strategic objectives with the broader objectives of the global/regional powers, the TNCs, the indigenous elites, the local corporate interests, and the surrogates of country’s former rulers. Accordingly, this thesis sets out to explore the impact of this artificial collectivity, which this researcher calls an ‘unseen order’, on the lives of dominant ethnies and to analyse its political implications in terms of the outcome of the coups and post-coup developments.
The second and principal focus of this study is to identify, evaluate and understand the extent to which this unseen order and the pathology of foreign corporate domination of Fiji’s economy have, directly or inadvertently, contributed to the conflicts and re-oriented perceptions during the interval between 1987 and 2000. It adopts a systematic approach to rediscover and explain through the dominant narrative the inconsistencies in the principal justifications for the coups and post-coup developments; demonstrate the extent of omissions and contradictions within that narrative which operate to cast doubt on those explanations; and develop or offer other plausible scenarios serving as a better account of the conditions, in opposition to the issues as presented in the existing narratives of the events that have now become entrenched in the discourse on inter-ethnic conflict in Fiji. As part of this focus, it will be argued that the continued Western (code for ‘European’) domination of Fiji’s economic, social and political life has been strategically managed since the colonial era, leading to its disappearance from the mainstream media analyses, and has been progressively reworked, reconstituted and substituted with threats from the feared Saidian ‘other’. This process underscores the role of external forces in transforming what were originally threats from European domination into ‘perceived’ threats from the Indo-Fijian presence to a multiplicity of indigenous Fijian interests.

As a third focal concern, this thesis addresses the paucity of research data on the subject of the control of Fijian economy by a host of powerful TNC’s through their collaboration with Fiji’s ruling elites, linked to local corporate interests and the regional or erstwhile colonial powers. It further argues that any attempt at rediscovery of knowledge that seeks to rationalise the coups or define post-coup developments in Fiji has to navigate the crucial issue of the unseen order, as well as confront an objective critique of the predominant ideologies that under-girded the capitalist society, initially engineered by British colonialism and its persistence during all three distinct phases of Fiji’s recent history. For myriad reasons discussed within the thesis, the European domination of Fijian economy and the decisive role played by foreign TNCs is omitted in many accounts of the conflict in Fiji, portrayed in the main as ‘racially motivated’ by the media and commentariat at large. It will be argued that the media failed to pay sufficient attention to the self-serving activities of internal and external economic forces during each historical phase that proscribed the direction of the country’s development, adversely impacting the lives of the two predominant ethnic communities, indigenous Fijians and Indo-Fijians, but more so of the latter.

18 In this study Indo-Fijians are treated as a unique class of citizens. They are now more forcefully excluded from the indigenous Fijian nation and in encapsulating their dilemma, dubious status and diminishing rights they are no
The researcher is aware of the subtext generated by use of the emotive expression ‘unseen order’, and its implicit characterisation in terms of invisibility, fixity, continuity – and even inaudibility – raises a number of obvious questions: If it is ‘unseen’ then how do we know it exists? What exactly is it and how do we come to identify it? How do we authenticate the presumption of its inter-relationships with other entities within the space wherein it operates? In this study, the author has introduced the concept of unseen order, intending it to be understood rather prosaically, without any suggestions that are conspiratorial in nature. It ought to be recognised simply as an evolving hegemonic paradigm produced by the interconnectivity among a collection of powerful political and economic forces that constitute the unseen order that, by their nature, avoid media scrutiny and thus remain physically ‘invisible’ to the human eye. The forging of alliances, coalitions and other forms of interrelationships are not ‘seen’; the operatives’ internal engagements with each other or with other entities are kept confidential, unless they can be propagandized for political reasons, or are mandatorily required to be divulged under prudential controls by regulatory authorities such as the Registrar of Companies, the Reserve Bank, the Stock Exchange or other reporting regimes. The politics of business and business-to-business transactions all around the world, as a rule, are conducted in commercial confidence, as much as permissible, and businesses go to great lengths to keep the media at bay.

The totality of a web of interconnectedness thus produced and reproduced by the unseen order becomes an integral part of a contrived regional economic and political reality, established by and preserved principally for the benefit of the global TNCs, former rulers, their surrogates who continue to serve their broader interests, the designated indigenous ruling elites and the chiefs, the local corporate class, and the regional powers for whom Fiji remains geopolitically significant; unavoidably these protagonists have been embroiled in the social, political and economic upheavals since the 1987 coups. Notionally then, this unseen order constitutes an imaginative teratology, capable of identifying the protagonists through the coalescences of their imposed ideologies; configurations of strategic alliances between and among the indigenous
aristocracy (the divinely-appointed ruling elite), local politicians, the indigenous Fijian and Indo-Fijian corporate class, as well as the non-corporate bourgeoisie (the nouveau riche bourgeoisie); economic allegiances carved out of long-term historical relationships; coalitions or assemblages of political entreaties between and among regional powers; congeries of tactical mergers and amalgamations of trans-national conglomerates representing foreign investors or European capital and their partnerships, joint ventures and hegemonic alliances with the local ruling elites; the invisible presence of mysterious powerbrokers who individually or collectively and directly or indirectly influence, predetermine, proscribe or set limits to the aspirations, livelihoods and worldviews of the dominant ethnies; portrayed in the media and other commentaries as being historically, situationally and unavoidably antagonistic to each other, so as to be irredeemably incapable of overriding barriers to assimilation and sectarian schism, to rescue any legitimate form of inter-ethnic rapprochement. It will be argued that the transition from a colonial order to these neocolonial networks of power and their recent transformation to an unseen neoliberal order were contingent upon fostering the twin ideology of modernisation and democratisation of the country, promoted as the global agenda of the economic rationalism or neoliberalism. Most forms of unequal and exploitive relationships established by the unseen order during the colonial era have remained intact. The influence of the unseen order permeates polity, economy, judiciary and popular consciousness and its denial continues to project a false reality as a means of consolidating its stranglehold on power. The colonial and neocolonial states were structured to encourage reliance on the metropolitan powers and their identification with global trans-national corporate interests cultivates a dependency of the indigenous elites on foreign investors and capitalist powerbrokers, due to the unavailability of local capital or know-how. Therefore, in order to arrive at an objective reassessment of the nature of conflict in Fiji and to intuit the truth of an unseen hegemony from the falsity of the explanations – principally offered through the distractedness of the unavoidable inter-racial conflict between indigenous Fijians and the Indo-Fijians – requires a rethink of the motivations of the key protagonists (local and regional) and their invisible web of interconnectedness. One of the pointers was that when the dust settled after

Neoliberalism re-emerged in the 1980s as a re-packaged liberal economic philosophy encapsulating the policies of American conservatives and neconservatives, including the free marketers totally committed to the primacy of a free market model (‘free market operation’, ‘free enterprise’ and ‘individualism’), regarded as capable of determining even ethical or moral human conduct and thereby substituting all other belief systems. Economic liberalism is not new as it prevailed in the US in the 1800s and early 1900s. The ‘neo’ alludes to the revival of economic liberalism by the corporate plutocracy to achieve the globalisation of capitalist economy on a scale not previously witnessed. After the financial ‘melt-down’ of the global financial markets in October 2008, which wiped out many ‘blue-chip’ financial institutions linked to the Wall Street establishment, most Western governments were forced to introduce rescue packages to bail-out their economies and avoid recessions whilst excoriating the excesses under the free market-dominated neoliberalism. The global capitalist economy has now entered a post-neoliberalism phase following the more interventionist economic policies introduced by President Obama and replicated by virtually all major economies around the globe.
the coups they emerged as the principal beneficiaries and insisted on rescuing and preserving the status quo. Therefore, in terms of the deliberations on the devolution of political power, the control of Fijian economy, and the explanations for the coups, the avoidance of the notion of unseen order can be described as the proverbial ‘elephant in the room’.

A number of leading commentators have noted that from the inception of the colonial state foreign investment capital was sourced from Australia and New Zealand. It naturally contributed to a domination of the Fijian economy by the Australasian corporations, originally spearheaded by CSR. CSR’s economic strength, political influence, and its exploitation of Indo-Fijian farm workers and expropriation of super profits to Australia are well documented. During the colonial period it was virtually a ‘state within a state’, with disproportionate economic power that often challenged even the hegemony of colonial administration. Even after the departure of CSR the Fijian economy remained entangled within the ‘tentacles’ of the major corporate interests originating in Australia, NZ, UK, USA, Japan and European countries.

Post-independence, the reassertion of prescriptive conditionalities by TNCs maintained the status quo of an ‘economic colony’ that was, at least outwardly, politically independent. The ability of TNCs to counter perceptions of their economic domination, in the context of effective recolonisation of Fiji, points to the erudition of occidental (Western) thinking and its unique banality, which incessantly refutes the overall strength and the influence of TNCs and deny their stranglehold on the Fijian economy. As a counterpoise to their invisibility, various threats emanating from perceived Indo-Fijian domination of commerce are simultaneously regurgitated in the media with a view to deflecting attention from the supremacy, control and domination by TNCs of key aspects of commercial life. Unlike their presence – which takes the form of agreements, partnerships, company name registrations, understandings, memoranda, or as aid donors, advisers, collaborators, investors, joint venture partners and so forth – the Indo-Fijian presence can be physically observed in commercial ventures, in the streets and as individual personas. Therefore, Indo-Fijians become competitors, rivals, usurpers of freedom, and the feared ‘other’ likely to diminish indigenous primordial rights, dilute indigenous culture or threaten its prior claim to resources. The underlying and commonly ‘unseen’ realities in Fiji are explored from this perspective.

20 van Fossen 1995, p. 117.
22 Narsey 1979.
In the popular discourse there is a lack of critical scrutiny of the corporate power of TNCs in Fiji, as well as the strategic involvement of regional powers in the country’s politico-economic deliberations. Like many other developing economies, Fiji’s largely developmental state orientation vis-à-vis modernisation or dependency alternatives are found not only to be contradictory, but also compel the state to arbitrate the conflict between modernity and traditionalism. However, in view of its legacy of colonial exploitation, the country is not immune from the development constraints applicable to other Pacific micro-states. Most contemporary observers continue to argue for corporate-led development strategies to solve intractable economic problems of a small island economy like Fiji. For example, both Fisk and Ward have argued in favor of accessing foreign corporate investment and expertise to modernise the economy, whilst accepting the compatibility of modernisation and the development roles played by TNCs in developing economies.25

Fiji did not become a nation-state through nationalistic movements committed to liberation struggles: it was transformed into a neocolonial state by a process of simple conversion from a colonial state, and largely preserved its colonial institutions of governance. As depicted in Figure 1.1, the influential and revered indigenous leader, Ratu Sir Lala Sukuna, visualised Fiji as a ‘three-legged stool’. He envisaged a society committed to co-existence and accommodation among ethnies, which would contribute to its development and progress irrespective of their disparate expectations and conflicting ideologies. His insights foreshadowed the desirability of a form of ‘strategic essentialism’, a notion theorised by postcolonial scholar and theorist Gayatri Spivak,26 which entertains the possibility of the marginalised or subjugated seeking temporary alliances to forge a collectivist identity, enabling their responses to changes or actions on the agenda set by social or political movements. In terms of Spivak’s observation, resistance to colonial rule in Fiji could have relied on the coalescence of differing ideologies to achieve the common goal of decolonisation or ethnic solidarity between indigenous Fijians and Indo-Fijians in order to resist European economic domination. However, except for a brief period of cooperation between the two dominant communities, which was successfully neutralised by the Europeans, throughout all three phases of Fiji’s development, the established colonial and neocolonial institutional structures were influenced by a form of state orientation that was largely identificatory and persuaded dominant ethnic communities to retain their culture-bound

solidarity. With the dawn of independence, their ideological differences continued to resist attempts to forge an inclusive multi-ethnic society that occluded any national ambition for unity.

Still, it will be argued, the eventuality of coups was by no means a foregone conclusion. The framework of post-colonial sovereignty and the foundations of national institutions of governance (Constitution, RFMF, and GCC) had remained fragile, leading to the first coup within seventeen years of independence. Many post-coup analyses allude to misplaced confidence in the strength of political and institutional structures bequeathed by the erstwhile rulers to preserve a nascent liberal-democracy. By 1987, the country’s transition from a Pacific paradise to an area of darkness began to unravel and it is in the unfolding narrative of ethnic conflict and post-coup developments that the absence of deliberation on the influence of TNCs and the unseen order is critiqued and scrutinised in this thesis. There were always pockets of indigenous Fijian resistance to or a confrontational outlook on Indo-Fijian presence, but the commentariat largely concentrated on internal and external perceptions of inter-ethnic conflict between the dominant ethnies and failed to examine latent conflict between Europeans and Indo-Fijians.²⁷ This research contends that a latent conflict in Fiji always existed between the understated and contradictory aspirational and ideological orientations of these two communities. The white colonialists ‘imagined’ Fiji in terms of European priorities and wished to lay the foundations of a white society steeped in its values and the symbolism of its collective memories. Indo-Fijians did not occupy any space in their imagination and there were even early unsuccessful attempts to turn Fiji into a ‘white colony’ along the lines of white Australia or apartheid South Africa.²⁸ From the outset, Indo-Fijian struggle inter alia entailed opposition to priorities and privileges granted to Europeans, who fought a war of attrition to frustrate Indo-Fijian desire to seek equality of opportunity or political representation. The white response was one of opprobrium against the Indo-Fijians that aimed to scupper any attempts by them to secure equality of political rights or equal citizenship. As noted by Gillion, the real difficulties arose between European and Indo-Fijian relations, not so much between the latter and the indigenous Fijians:

European dominance was expressed in many ways: political, through the exclusion of Indians from any voice in central or local government; economic, through the power of Australian companies, notably the CSR, the exclusion of Indians from many non-manual posts, and differential wage-rates; educational, through separate schools and inadequate provision for Indian education; social, through racial discrimination in social life, in associations, and in public places; and ideological, through the upholding of British culture as the model and

²⁷ There is a notable exception in relation to early years: see Gillion 1977.
downgrading of Indian culture. Correspondingly, the challenge to European dominance was to take many forms: political organisation, agitation, and boycott, economic striving and occupational diversification, education initiatives, and the search for an Indian identity.29

After the Second World War, partly due to disputed ‘Indian’ contribution to or involvement in war efforts, it was made clear during the acrimonious ‘Deed of Cession debate’ in July 1946 that indigenous Fijians no longer considered Europeans as ethnic rivals, and despite their small size they remained the core ethnic group that exercised disproportionate political influence and commandeered the largest share of the national wealth.30

Accordingly, it will be argued the differing role traditionally assigned to each ethnic group has not changed. In terms of the post-coup media treatment of the political turmoil, the dissemination of information regarding the harassment and treatment of Indo-Fijians, the re/interpretations of their role and their contributions to the development of the country demonstrate that the media remains enamored of the historical/ideological conceptions of the ethnic ‘other’, easily dispensable to the void of indigenous Fijian or European consciousness that disinherits the Indo-Fijian vicarious suffering for the indigenous Fijians, and seeks progressive attenuation of their rights. By virtue of the foreign corporate ownership and control of Western media, after the coups, the threats of violence against Indo-Fijians, the rape of Indo-Fijian women, the theft and vandalism of their properties, and the desecration or burning of their places of worship received only cursory attention in foreign press. In the mushrooming discourse on the conflict in Fiji there emerged a discernable pattern mis/representing the Indo-Fijians in terms of Western thought and its inherent preconceptions of the ‘other’, so that the often idiosyncratic re/interpretation of events in many commentaries appeared tinctured by Eurocentrism. They offered parallels to an artificial construct integral to the conception of the orientalised ‘other’ as articulated by Edward Said in Orientalism. Whilst acknowledging that this study has been influenced by the Saidian philosophical and socio-political analysis of the classic critique, it is suggested that the gross misrepresentation of the symbols of Indo-Fijian endeavour, the distortion of Indo-Fijians’ identity, and the restatement or reinvention of their commitment to the country of their birth, are strategic manoeuvres that countermand the indigenous Fijian notions of fairness and libertarianism, seemingly compatible with the democratic traditions to which they retain a surface commitment. The critical issues arising from these contradictory perceptions have been more thoroughly reappraised in the penultimate Chapter.

29 Gillion 1977, p. 16. References to Indians should be read as Indo-Fijians in this extract.
30 ibid, pp. 195–198; see also Scarr 1984; Lal 1992.
Figure 1.1: Three Waves of External Influences


Ratu Sukuna’s Three-Legged Stool

Indo-Fijians

PARITY
Human Resources

Europeans & TNCs (part of unseen order)

PRIVILEGE
Capital and Technology

Indigenous Fijians

PARAMOUNTCY
Land and Resources

(Real) Unmanifest conflict throughout the three phases of development

Paternalism evolving into patent alliance for political and strategic economic reasons

PERCEIVED CONFLICT
Status Quo = Three Ps
1.2. The Research Question and Various Identifiable Myths

This study reasserts and emphasises the existence of an unseen order and argues its covert influence, together with the political activism of trans-national corporations, should have formed part of the core deliberations on the ethnic conflict witnessed as violent convulsions in Fiji between 1987 and 2000. The information derived from the scrutiny of accepted justifications for the coups would provide insights into and knowledge about the social, economic and political realities of contemporary Fiji. This research sets out on a rediscovery mission through the identification of omissions and inconsistencies in textual analyses or commentaries. In addition, it attempts a systematic re-evaluation of other unexplored dimensions of the ‘perceived’ inter-ethnic conflict and questions some of the motives behind the accepted explanations for the political mayhem. The unseen order allied with the indigenous elites saw a likely diminution in its power and privilege, whereas the indigenous mercantile bourgeoisie, foreign corporate interests, Indo-Fijian corporate bourgeoisie, and the Taukeists or nationalists claimed to feel threatened by a qualitative transformation of the political power, historically residing in the assemblages of partnerships between the powerful Chiefs, foreign capitalists, corporate bourgeoisie and ruling indigenous elites.

The anachronistic colonial and neocolonial institutions and paradigms of governance continue to survive beyond the unprecedented upheavals triggered by the usurpation of political power through violence, and the ad hoc attempts to redress the indigenous Fijian grievances, which were prosecuted in large part by the commentariat on the basis of an unhappiness centered on and around the so-called ‘Fijian Question’. A number of schools of thought have emerged across the mix of commentaries and a review of the extant literature leads to the identification of a set of endogenous myths. These continually reinforce some of the superficiality associated with a priori generalisations about the commonly accepted explanations for the conflicts:

1. The myth of right to self-determination or economic independence (Chapter 2).
2. The myth of threats posed by an instinctual Indo-Fijian desire to achieve political domination (Chapter 3).
3. The myth of threats to the indigenous Fijian paramountcy (Chapter 3).
4. The myth of Indo-Fijian domination of commerce jeopardising or inhibiting or undermining indigenous participation in mercantile activities (Chapter 4).
5. The myth of cultural pluralism underpinning the foundation of Fijian polity (Chapter 5).
6. The myth of threats to indigenous Fijian ownership of land and resources emanating from land reforms or any notion of Indo-Fijian political ascendency (Chapter 6).

7. The myth of the divine rights of chiefs and their perceived role as protectors of indigenous Fijian interests/traditions/institutions (Chapter 7).

My work to deconstruct these myths, and to answer a number of related questions that inevitably arise, sheds light on the research question. This approach provides a better understanding of the complexities of contemporary Fijian society. It scrutinises the broader implications of the historical realignment of the differing ideologies that underpin politics, culture, economic power and the influence of foreign media. The latter are explored in varying degrees as the interrelated dimensions of the ethnic conflict.

1.3. Research Methodology

1.3.1. Introduction and Sources

The conflict in Fiji was circumscribed as an inter-ethnic struggle, principally but not exclusively explained in terms of perceptions of the racial or class aspiration of indigenous Fijians and Indo-Fijians for political supremacy, demands for the protection of indigenous Fijian paramountcy, and the resolution of an array of indigenous grievances. Following Bavadra’s victory, the emergence of the Taukei Movement fundamentally transformed Fiji’s political landscape. Scholars and observers have commented on the resurgence of indigenous ethnonationalism, which conflated with indigenous Fijian radicalism (or Taukeism), but there was little coverage of the latent conflict between Indo-Fijians and the Euro-Fijians. One of the principal foci of this study is to examine this unexplored dimension of the inter-ethnic conflict, and then to re-evaluate how the interpolation of the unseen order, especially its political activism together with the market behaviour of TNCs, may have influenced social and political outcomes.

The methodology for this study relies on the complementarity of two free-standing strategies for data collection and analysis: first, a review of archival media materials which serve as a popular source of political analyses or discourse on social construction of realities or subjectivities; and

31 Scholars concede nations and nationalism are difficult to define, but Smith (1991, p. 73) suggests humans in pursuit of their actual or potential nation produce ‘an ideological movement for attaining and maintaining autonomy, unity and identity on behalf a population’. Others (Anderson 1983; Hobsbawn 1993; Gellner 1998) have argued nations are ‘imagined’ and ‘constructed’. Indigenous Fijian ethnonationalism is accepted here in the sense asserted by Smith, that many nationalisms are based on historically flawed or tainted interpretations of past events with a tendency to overly mythologise some inaccurate parts of their history.
second, a review of the economic and business resource materials which provide a basis for challenging much of what may or may not have been elided in the dominant narrative for the nature of conflicts in Fiji.

This study primarily relies on a review of literature from varied sources, and concentrates on the qualitative (and some quantitative) data from published texts, documents, media and academic reports, as well as the researcher’s impressions and reactions to them. In particular, media sources comprise newspaper and magazine articles, the observations of academics, experts and other commentators, reputable Internet sources, and electronic and wireless media coverage of the Fijian upheavals. The economic or business resources are primarily official government publications, books and other publications, academic journals, company reports, business journals or publications, unpublished articles, reports from UN and other NGOs and of Think Tanks or Research Institutes, supranational institutions such as the IMF, World Bank, WTO and similar entities.

The nature of this inquiry and the range of scholarly analyses it examines straddle and intersect multiple disciplines. Individual or collectively useful contributions to the central theme of this study have been made by the overlapping concerns explored by scholars and commentators in historical analyses, anthropology, sociology, economics, finance and management studies, political science and media studies. This secondary level approach builds new perspectives on the available literature in terms of its meaning and relevance as research findings. The study relies on empirical evidence drawn from a review of varied sources of literature and a critical assessment of the data. Accordingly, it is necessarily more empirical than theoretical in its analytical approach. By developing theoretical concepts as an appropriate framework or foundation for the research, the enquiry then applies that to enhance understanding of the research topic. That framework is then applied to systematically reappraise the reasons for the conflict’s development, exacerbated by the political activism of key players.

1.3.2. Research Paradigm

Qualitative research methods are utilized by researchers to develop an understanding of the subject (for example, people) within their own environment or the social and cultural contexts which give them meaning, primarily because they can communicate through a language. The research itself is defined as ‘a systematic process of investigation, the general purpose of which is to contribute to the body of knowledge that shapes and guides academic and/or practice
disciplines. However, the investigative effort needs to be systematic or rigorous and must consider the nature of or what constitutes knowledge. Accordingly, it becomes necessary for any research to describe and justify the choice of methodology based on the ‘epistemological and ontological assumptions’ that the researcher is going to adopt.

Guba & Lincoln have suggested that a paradigm is basically a belief system or worldview which lies at the heart of a research strategy and encompasses the ontological and epistemological orientation of that strategy. Other commentators have suggested that the underlying paradigms of qualitative research fall into three categories: positivist, interpretative and critical. However, the distinction between these research ‘paradigms’ is often not clear in practice and there is some disagreement about whether all these paradigms can be considered within the same study. Positivists argue that there is an objective basis of reality that can be described by determining its features independently; the researcher does not rely on any measurement tools he or she may have. This study can thus be described as positivist, to the extent that it relies on formal propositions, quantifiable measurements, tested hypotheses or drawing of inferences based on a sample of targeted population. It is also an interpretative study, for the researcher assumes that ‘access to reality (given or socially constructed) is only through social constructions such as language, consciousness and shared meanings.’ In exploring the themes embedded in the broader narrative of the coups, and to contextualise their occurrence, the researcher must understand the phenomenon of the recurring Fijian coups, by reassessing existing meanings or explanations and reviewing their interpretations. According to Higgs, the research paradigm can encompass various approaches (hermeneutics, constructivism, and phenomenology) with a view to interpreting the social world we live in. Hermeneutics is regarded as the theory of interpretation. Human behaviour can be understood by considering its motivation, but understanding is also a holistic process that binds the individual phenomenon to the conception of the totality under consideration. Phenomenology has its origins in Husserl’s concept of Lebenswelt (the life world), and offers insight into the understanding of everyday experiences; that is, it enables us to understand and describe our lived experiences, or the lived experiences of the participants in our research. Constructivism explains how people make sense of their

35 For a detailed explanation see Lee 1989.
36 Myers 1997.
37 ibid.
38 Higgs 1998, p. 140.
worlds and create ‘personal systems of meaning’ to guide them through life. My study can also be described as critical because of my assumption that ‘social reality is historically constituted and that it is produced and reproduced by people’ and, notwithstanding their ability to knowingly alter their socio-economic circumstances, they are ‘constrained by various forms of social, cultural and political domination.’ This approach enables the research to become a ‘social critique’, and to expose any ‘restrictive or alienating conditions of the status quo’ through an examination of the ‘oppositions, conflicts and contradictions in contemporary society’; furthermore, it ‘seeks to be emancipatory i.e. it should help to eliminate the causes of alienation and domination.’ It should also be noted that knowledge is acquired through critical analysis or deliberations, rather than discovered or grasped. In this tradition development of the individual is paramount, for it assumes that transition to adulthood requires alternative and critical thinking and enables reflections on underlying ideas or actions.

Over the last three decades, postmodernism and poststructuralism have emerged as the dominant ideological stances for theories of human existence. In the post-war period, the study of the structure of any system in the abstract was considered to add scientific objectivity to literary studies. In the study of language, structural linguistics argued that meaning was discernable within the structure of the whole language and not through the analysis of individual words. The Structuralist movement emerged in France in the 1960s and was aimed at synthesizing the ideas of structural linguists (Ferdinand de Saussure and Jacques Lacan) with Marxist truths, which were best understood through an analysis of economic structures, and Freudian psychoanalysis, which attempted to describe the psyche in terms of the unconscious. The structuralists propose that it is the ‘structure of language that produces reality,’ and that meaning is derived from the system that controls or manipulates the individual’s freedom to respond unhindered, rather than the individual’s experience. They also argue that the structure of language becomes centralised as the source of meaning, as distinct from the individual. They are differentiated from the liberal humanistic tradition, which presupposes that a real world exists and that it can be understood through reason; that language has the ability to accurately describe that reality; that it not only expresses individual freedom but the very essence of who we are, thus implying the existence of individual ‘self’; and this self or ‘subject’ becomes the centre of all meaning and truth. The poststructuralists agree with the ideas espoused by the structuralists, but their key figure, one of

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41 Candy 1991.
42 Myers 1997.
43 ibid.
44 Barnett 1990.
45 Brookfield 1987.
the most powerful theorists of discourse\textsuperscript{46} and an important representative of the poststructuralist movement, the French philosopher Michel Foucault (1926-1984), discounted the possibility of definite underlying structures capable of explaining the human condition. He suggested it is not possible to ignore the discourse and still examine the situation objectively. His main method for looking at various disciplines, particularly in the social sciences, and their relationship to the objects of study was through analysis of the ‘discourses’ or ‘discursive practices’ thought to reveal knowledge. Instead of analysing discursive practices in terms of their truth, he claimed to do so by an ‘archaeology’ of knowledge, analysing the history or genesis of truth. He saw subjects of study and ‘discursive practices of knowledge’ as closely linked, and so they have to be explored and reasoned within the context of their social or political settings. In The Discourse on Language, his ‘discursive regime’ is stated as:

\begin{quote}
I am supposing that in every society the production of discourse is at once controlled, selected, organized and redistributed according to a certain number of procedures, whose role is to avert its powers and its dangers, to cope with chance events, to evade its ponderous, awesome materiality.

In a society such as our own we all know the rules of exclusion. We know perfectly well that we are not free to say just anything, that we cannot simply speak of anything, when we like or where we like; not just anyone, finally may speak of just anything.\textsuperscript{47}
\end{quote}

Michel Foucault regards such interaction as a product of specialised knowledge in its various permutations, commonly found in the academy. Foucauldian discourse is a particular kind of language which has to conform to its own paradigm for legitimacy. A fusion of power and knowledge is thought to occur in the discourse itself; some suggest this even represents a form of violence, as it insists on its own ‘linguistic order’. Thus Foucault regards discourses as representations or systems of meaning which are invoked to perpetuate the status quo or to ensure that existing configurations of power are retained. Said has similarly studied the discourse of Orientalism as a discourse of power relations which enable the West to exercise power over the Orient by the knowledge it acquired during colonialism. In Said’s view, it then allowed the West to construct a discourse of ‘otherisation’ and its accompanying practice of subjugation.\textsuperscript{48} In this study discourse is recognised as different ways of knowing, or regimes of truth about

\textsuperscript{46} In postmodernist and poststructuralist theoretical tradition, language is distinguished from discourse. The difference is that language involves reading, writing or speaking, whereas discourse encompasses other human practices, exclusive of these activities, which enhance meaning, ‘so that the power of discourse is not simply the power of language, but the power of a whole set of linguistic and non-linguistic practices to create both the world and the subjectivities of the subjects acting in that world.’ (Kitching 2008, p. 40).

\textsuperscript{47} Foucault 1972, p. 216.

\textsuperscript{48} Said 2003.
meaning that represent ideas, specialised knowledge, narratives, ideologies, texts, institutions, and individual or shared practices about the world around us which will be variously interrogated. It is however acknowledged that it is not language per se that ‘oppresses’, ‘empowers’, ‘imprisons’ or ‘liberates’ people, but its use, misuse or abuse by people in their pursuit of a social construction of reality or subjectivity of subjects through the deployment of powerful metaphors. In this study, therefore, I have sought not to use theoretical metaphors – of worlds, spaces, landscapes, flows, matrices, sites, locations – and have consciously employed a pragmatic and conventional prose.

Accordingly, discourse analysis has formed an integral part of the methodology for this study, and has required that I bring out and extend my ontological and epistemological assumptions about a range of understandings. The types of qualitative data sources already mentioned include observations on and assessment of textual data and documents, as well as my own reactions to the data collected and my overall impressions. I am aware of the need to identify what is elided in the materials examined; I am also mindful of what I have to say that is original and differs from what is already in the public sphere, but do not sacrifice the utility of the key arguments made by sources. The inquiry deliberately offers substantive evidence to challenge or offer alternative explanations for generalised explanations in the public domain. Given the controversies surrounding the topic under consideration, a less theoretical approach may better serve the objectives of the thesis. Facts speak for themselves, and so commentaries are economised as a means of building the argument.

My impressions of the discussions are integrated with analyses of public data and conclusions reached from discourse analysis. This approach seeks to illuminate various dimensions of the nature of conflict and the modality of power-sharing in Fiji; it also reveals what the key players stood to lose from an implied challenge to an established unseen order, as a result of the implementation of the Bavadra and Chaudhry governments’ policies. It may not have been scrutinised in the past, but the evidence gathered strongly indicates the existence of this unseen order, and its culpability in successive coups cannot be ruled out. The methodological approach principally aims to unravel the mysteries of the justifications for the conflicts, and in the process helps to deconstruct each of the myths identified in relation to the perceived conflicts.

1.4. Disclaimers, Assumptions and Delimitations of Scope

49 Kitching 2008, p. 80.
This study examines aspects of the historical, economic, political, and ethnocultural dimensions of the conflict in Fiji, and explores the commentaries and media treatment of events between the first and third coups in Fiji. It questions the dominant explanations for the coups that have now become infused in the larger narrative and, for the most part, generally accepted by scholars, the media and other commentators. A brief overview of historical information is provided in Chapter 2: it considers the emergence of the unseen order, and the Australasian sub-imperialism and state machinations, introduced under colonialism, that prefigured the key institutional structures found in contemporary Fijian society. It has been necessary in some sections of this study to delve into other periods to provide greater clarity to matters under evaluation, but by and large I have remained true to the boundaries delineated. For example, a 1982 review of the Carroll Affair report was a key source of evidence on foreign corporate interference in Fiji’s ethno-politics. Due to its significance this episode was revisited and evidentiary material gleaned to demonstrate the behavioral and operational aspects of the unseen order. There has been a profusion of literature on inter-ethnic conflict in Fiji since the first coup in 1987, but in my view the central theme of this study has attracted less attention. Nevertheless, it has been necessary to limit the scope of the research to focus only on those aspects that fulfill the immediate requirements of the themes pursued.

After the commencement of the research, another coup was carried out by Commodore Bainimarama on 5 December 2006. This coup is specifically excluded from consideration in this thesis. Its causal factors were different from the three earlier coups and a marked shift could be observed in its political rhetoric. It was also accompanied by external pressure on the military leadership to relinquish the stated objectives of the fourth coup in favor of a recommitment to the policies favored by regional powers, and their desire for the restoration of democratic governance. However, major differences have emerged between the military regime, and the regional leadership (Australia and New Zealand) accused of contradicting their stance adopted during the 1987 and 2000 coups. As stated by the coup leader, Commodore Bainimarama, a rush to democratic governance by itself will not serve the broader interests of the neocolonial state or unravel the reasons for interminable conflicts. For the first time, the refusal by the military regime to accommodate regional priorities confronts the preferred economic and political neoliberal order established by the regional powers and their allies.
Chapter 2

Unseen Order and Trans-national Corporate Domination: The Myth of Right to Self-Determination or Economic Independence

The principal focus of Chapter 1 was the identification of the research question and the recognition of a hegemonic paradigm conceptualised as an unseen order. It highlighted six major myths arising from the review of extant literature on the nature of inter-ethnic conflict in Fiji, and described the methodological approach adopted in this thesis. In this chapter, the central research question is further explored with a view to deconstructing the myth of right to self-determination or economic independence. It confronts the misperception of continuing suzerainty of the former colonial powers, and sets out to contest the idea of an economically independent Fiji; this is achieved by exploring the duplicity of an unseen order that seeks internal annexation of the national psyche through the centralisation, totalisation and maneuvering of the institutions of the state. Today, the control of Fiji’s political economy and, by extension, the ‘real’ political power appears to reside in the convenient invisibility afforded by this unseen order. In examining this under-explored dimension the core argument presented in this chapter will show that colonial corporate interests, and later major foreign TNCs, were acknowledged as crucial to economic development and a vital source of investment capital throughout the antecedents of three external influences on Fiji. Almost the entire contemporary neoliberalised economy is dominated by foreign TNCs. Many are global giants far more powerful than the Fijian government. Starting with CSR\(^1\) during the colonial era, a collection of powerful colonial enterprises and corporations (Appendix B) proceeded to consolidate their stranglehold on the Fijian economy. They possessed enormous financial and economic clout which allowed them to influence and manipulate political power.

In what turned out to be an economic ‘free-kick’ for the emerging TNCs, especially CSR, colonialism managed to destroy the fundamentals of indigenous economic structures and their subsistence economy, supplanting them with alien capitalist prescriptions, regarded by key commentators as detrimental to indigenous livelihood and autonomy whilst affording a

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\(^1\) Founded in 1855 as a sugar producer; one of Australia’s oldest companies, consistently managing excellent returns. It remains the largest miller, controlling 75% of joint venture interest in sugar refining in Australasia. It is a major producer of ethanol with diversified manufacturing operations in building products (gyprock, cement, bricks, roof tiles, insulation and glass) plus it owns 25% of the second largest smelting operations, Tomago Aluminium Smelter (majority owned by Alcan). Currently, it has 35 wholly or majority owned plants located in Australia, NZ and Asia, see <www.csr.com.au>, viewed 17 July 2009.
corresponding advantage to the colonial enterprises. In a continuum of practices, neocolonialism helped consolidate previously held corporate power and privilege (derived from a connection to the Fijian establishment and the white minority, who exercised real power) and expanded the broad sweep of corporate control of the Fijian economy.

Since the mid-1990s the new ideology of economic neoliberalism, disguised under the innocuous banner of ‘globalisation’,² set about spreading a new development paradigm; this was claimed by its critics to be tantamount to ‘re-colonisation’ of the PICs, through the pressures placed on them to cope with externally imposed financial, institutional, corporate and intellectual challenges. This chapter aims to demonstrate that control of Fiji’s political economy remains in the hands of the unseen order and the TNCs, strategically intertwined with designated indigenous Fijian ruling elites. The Chapter also provides limited but persuasive evidence to form the view that a number of powerful foreign TNCs interfered with internal political processes and contributed to the political instability in Fiji, particularly over the last two decades. In doing so, it highlights sufficient anecdotal or circumstantial evidence to implicate a number of prominent US and Australian TNCs, plus a few larger local corporations, in the conspiracy to execute the first and third coups.

2.1. The Evolution of a Hegemonic Paradigm and Australasian Sub-imperialism

As a point of departure, the historical background is briefly summarised here to situate the factors behind the myths, and to draw attention to key events marking an early engagement with the unseen order and its historical diffusion that led to the current Fijian political circumstances.

From about 1815 to when World War 1 (WW1) broke out in 1914, western European countries (mainly Germany, France, Belgium, the Netherlands, Spain, Italy, Portugal and Britain) collectively had control over some 85% of the earth’s surface, which they carved up as their territories, colonies, dependencies, dominions, protectorates or commonwealths.³ Accordingly, ‘No other associated set of colonies in history was as large, none so totally dominated, none so unequal in power to the Western Metropolis’.⁴ It has been noted that although the Europeans

² Globalisation is a highly contested and variously defined term. This study adopts a definition suggested by the director of the Program on the Geopolitical Implications of Globalization and Transnational Security, Dr Nayef R.F. Al-Rodham of the Centre for Security Policy, Geneva, on 19 June 2006: ‘Globalization is a process that encompasses the causes, courses, and consequences of transnational and transcultural integration of human and non-human activities.’
⁴ ibid. His observations relied on Magdoff 1978; see also D’Cruz & Steele 2003, p. 94.
steadily expanded their empires, especially in the interval between the Napoleonic wars and World War 1, the race to expand their empires and colonise began in earnest in the 1880s as a consequence of the rise of industrial capitalism in Europe; it brought in its wake new forms of trading entities, particularly corporations, in search of raw materials, products, cheap labour, and technology, especially military technology, that often gave a small regiment of soldiers the capacity to vanquish large armies. This ruthless expansion, which often created its own tensions, continued until its interruption when World War 1 broke out in 1914. Even then the primary motivation was to acquire raw materials, develop trade and seek investment opportunities for European surplus capital.

Thus during the four decades before 1914 European influences, political, military, economic, cultural, were imposed on an unprecedented scale on every part of the non-European world.

In the context of British colonial imperatives the central concerns for Australasia and the greater Pacific regions related to the securing of land, its resources and labour; that is, all the key factors of production for economic activities to flourish. The colonisers, of course, always possessed and brought with them capital, superior technology, and the requisite armed forces capable of providing security for the European settlers. However, the introduction of a modern capitalist economy called for the transformation of land for productive purposes. This could only occur if the local indigenous labour could be harnessed, mobilised and sufficiently trained to extract wealth from the newly acquired lands at very low cost. In Fiji, this presented a major challenge.

Dutchman, Abel Janszoon Tasman, first sighted some islands near Taveuni in 1643 but it was well over one hundred and thirty years later that Captain Cook, whose crew included a young Lieutenant Bligh, sighted Vatoa Island in 1774. The men were, however, unable to communicate with the natives. Consequently, the original detailed observations of Fiji were made some fifteen years later by Bligh, who was by then a fully-fledged Captain, albeit temporarily reduced to the command of a lifeboat following the Bounty mutiny in 1789.

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5 O’Lincoln 1997.
6 Anderson 1972, p. 205 cited in O’Lincoln 1997. It has to be noted that, in a similar vein, the FDI rules created by the WTO seek a free trade environment for the free flow of surplus capital under its agenda of neoliberalisation of the global capitalist economy.
By 1800 the European interest in Fiji was centred on the existence of lush forests of sandalwood and a much sought-after commodity, beche-de-mer, a shallow water sea slug (or sea cucumber) considered an aphrodisiac in Asia. Early Europeans brought with them notions of western capitalism and Christianity. It took them barely a decade to denude the forests of sandalwood, and by another beche-de-mer was fished out. In the context of current inter-ethnic conflict in Fiji, it remains a moot point whether imposition of a Western capitalist system and other foreign-acquired wisdom did much good, even if they served as a catalyst for advances in the economic, political and social circumstances of the Fiji Islanders. Whatever the merits of the initial incursions, the motives of the colonisers were not altruistic and instances of brutality, theft and murder formed an integral part of their experiences. The degradation of life brought on by colonialism came to be realised within the ranks of colonial administrators. J.B. Thurston, a key strategist lauded with devising much of the British colonial policy in the Pacific, wrote:

With all our ‘highfalutin’ to the contrary, the wrongs we have committed in the names of Christianity, civilization, progress are manifold. We are, as a race, a race of robbers and spoilers.

A number of related but peripheral historical events are also significant in considering early Fijian history. It has to be recognised that by 1840 the Maoris had been subdued in New Zealand; they had signed the Treaty of Waitangi and New Zealand had became an economic dependency of NSW. However, in the 1850s Australia experienced the long financial boom of the gold rushes and it became the centre for capital growth in the region, with an emerging ruling class and the requisite machinery of a new state. The growth in economic power and wealth witnessed a corresponding escalation in expansionist sentiments, and in 1859, the NSW Legislative Assembly resolved to secure the Fiji Islands as part of the British Empire. It is thought to be the very first occasion on which an Australian state government had attempted to directly manipulate British colonial policy. At the time, these sub-imperialist sentiments were well articulated by the Melbourne Age:

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8 According to a government publication, Fiji Today 2005-06, the original Melanesian settlers referred to their new island as Viti. However, the Tongans pronounced it as Fisi, and it was from this Polynesian word that ‘Fiji’ was Anglicised and adopted by Captain Cook. It is believed that original settlers were the “Lapita people” who arrived some ‘three and a half thousand years ago’ and were recognised for their special fine pottery, evidence of which was found in virtually ‘all the islands of the Pacific, east of New Guinea,’ with the exception of ‘eastern Polynesia.’ Originally from South-East Asia, the Lapita are also thought to be the ‘ancestors of the Polynesians.’ Thus, the indigenous Fijians, Tongans, Rotumans and Indo-Fijians whose ancestors settled in Fiji share a common Asiatic origin (see <www.fiji.gov.fj/uploads/FijiToday2005-06.pdf>, viewed 29 November 2007).

9 Scarr 1984, p. 83.

10 O’Lincoln 1997.
The most prosperous colonies have been founded without the assistance of, frequently in direct antagonism to, the wishes of the parent State … if England refuses to interfere, Australia will do well to discuss the advantages or disadvantages of stepping into the breach … Since England can rule India, why should not Victoria make the experiment of trying to rule Fiji?\(^{11}\)

For this researcher this attitude denotes strategic Australian ambitions for the region and the genesis of its assertion and projection of political and economic power in the region, together with a clearly articulated intention to impose a regional order that so far sees no sign of abating. The Indo-Fijian historian Professor Brij Lal has argued that in the context of historical development, by the late nineteenth century a small posse of European population represented the apex of political, social and economic power, dominating mining, copra and banana plantations, shipping, retail and commerce.\(^{12}\) A number of prominent families stood out; some individuals displayed unflinching loyalty to the British establishment and were later rewarded with knighthoods. The ‘Big Four’ represented a formidable cabal in colonial Fiji. It comprised Sir Maynard Hedstrom, founder/director of Morris Hedstrom, who was a member of the Legislative Council for about thirty years and served in the Executive Council for as many years. In addition to serving as Attorney General six times, Sir Henry Scott, lawyer/politician, was a member of the Legislative Council for thirty years from 1908 and served in the Executive Council for about twenty-five years. Sir Henry Marks, founder of Henry Marks & Co., was one of the first Europeans to be elected to the Legislative Council in 1904 and also served as an Executive Council member. Robert Crompton, lawyer/politician, replaced Hedstrom in the Executive Council in 1934, and later served as full member from 1941 to 1944. He was responsible for drafting quite a number of early pieces of legislation, including the controversial Mining Amendment Act of 1935.\(^{13}\) The Europeans generally monopolised key positions in government and statutory bodies, promoted the idea of segregated/racist/exclusivist social clubs, voluntary organisations and schools. The power and undue influence possessed by a handful of white ‘commercial oligarchs’ gave them a ‘stranglehold’ on the colony but met with the disapproval of the Governor, Sir Arthur Richards, who, as far back as 1937, noted in the first impressions he conveyed to the Colonial Office:

It is a peculiar Colony – sui generis indeed. The presence of a resident European population, their long isolation from the world and the limitation even of recent contacts to NZ & Australia has bred a peculiar insularity of its own. A few big men have obtained a stranglehold of the place – they have won their way to the top and mean to stay there. The under-dog is under-paid and powerless. A few


\(^{12}\) Lal 1992, p. 6.

\(^{13}\) Emberson-Bain 1994a, p. 34.
men control everything behind the scenes and even Govt [sic] has been run with a strong bias.\textsuperscript{14}

In later chapters it will be argued this paradigmatic power configuration has remained ever since, and the ‘under-dog’ Richards referred to has remained just as powerless and marginalised. The control of the state was passed down to the indigenous ruling elites and the chiefs (the GCC has a similar rigid structure) after the independence culminating in more radical responses to preserve the paradigm in the mid-1980s, when competing groups of upwardly-mobile, urban, middle-class indigenous corporate interests, utilising the coercive forces of the neocolonial state, sought to prop up various politicians to maintain indigenous structural hegemony.

The unsurpassed power of the early Europeans enabled them to practice, to all intents and purposes, a form of intellectual apartheid, rather than the overt forms instituted and adopted to varying degrees in South Africa, Australia and the US during this period. Due to their frustrations with local politics some early white settlers even attempted to have Fiji annexed to New Zealand. The failure of their stated ambitions for Fiji as a ‘white colony’ annexed to New Zealand led to the Europeans eventually agitating and settling for a ‘privileged’ position, which they subsequently attained and found acceptable with hardly any indigenous Fijian resistance.\textsuperscript{15} Remarkably, a small minority of the white population continues to enjoy their status of ‘privilege’ to this day, and they continue to exert influence on the internal affairs of the country, disproportionate to the size of their presence.

Although the “Great Fiji Rush” is thought to have begun due to the ‘destruction of cotton plantations during the American Civil War’ (1861–1865) - which brought about a worldwide shortage of cotton - the initial developmental capital requirements for Fiji originated from the Victorian goldfields in the late 1860s; this was accompanied by the flow of an initial settler population, enriched by the gold boom, in search of investment opportunities in other lucrative areas.\textsuperscript{16} Cotton proved to be a suitable crop easily cultivable in Fiji. By late 1868, initial investments arrived through the Polynesia Company, backed by some prominent businessmen, but this eventually did not prove to be a successful venture.\textsuperscript{17}

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\textsuperscript{14} Colonial Office minute, 24 April 1937, cited in Emberson-Bain 1994a, p. 34.
\textsuperscript{15} Lal 1992.
\textsuperscript{16} O’Lincoln 1997.
\textsuperscript{17} ibid; Scarr 1984.
\end{flushright}
Despite claims to a European attitude of benevolence towards indigenous Fijians, philosophically or in terms of historical data, the early European attitude to Fiji and its people cannot be considered altruistic. We can gain parallel insights into colonial schemes to establish early dependency and indications of future possibilities by European treatment of the paramount Fijian chief, Ratu Seru Cakobau, who was not Tui Viti but was positioned as the King of Fiji, set up as a puppet and an object of white derision, more suited to be a white man’s gardener:

What are they but niggers and hillmen? Is it not an insult to this house and to every white man in this country to have an old nigger like the king set up, as he is being set up? King indeed. He would be more in his place digging or weeding a white man’s garden.\(^\text{18}\)

Due to the destabilization efforts of the settlers and the Cakobau government’s inability to provide effective administration of the islands, in 1874 Ratu Seru Cakobau and other paramount chiefs had no choice but to officially cede the Fiji Islands to Britain – a decision influenced in no small measure by the need to help defray the exorbitant American claims of damages to its property. The British expected the new colony to be economically self-sustaining and, after securing access to land and developmental capital, the country needed a stable labour force to develop its embryonic economy. The crucial third factor of economic production was satisfied by the introduction of ‘Indian’ contracted labourers from the sub-continent in 1879.\(^\text{19}\) Historian Deryck Scarr has chronicled how the then Melbourne-based Colonial Sugar Refining Company (CSR) was among the first early investors to realise the long term prospects for developing agriculture in Fiji, and it prudently decided to invest over two million pounds by 1900.\(^\text{20}\)

By the turn of the twentieth century, CSR had successfully established itself and was engaged in exporting sugar and spirits with the involvement of ‘Indian’ labourers, who had arrived some eighty years after the Europeans. CSR was the prime catalyst for change and economic adventure from the inception of the colony and it had entrenched its dominant position in the Fiji Islands relatively early. By 1880, within a year of the arrival of ‘Indian’ labourers, the Colonial Secretary, J. B. Thurston, described the Australian company CSR as ‘The most selfish Company in the Australasias.’\(^\text{21}\) As Indo-Fijian economic mis/adventure and the early colonial history of

\(^{19}\) Lal 1992; Scarr 1984; Gillion 1977.  
\(^{20}\) Scarr 1984.  
\(^{21}\) Cited in Scarr 1984, p. 82.
Fiji would subsequently demonstrate, it also turned out to be the most predatory and ruthless, setting in train a pattern of corporate behaviour for later arrivals to emulate.

For most of the colonial period until shortly after independence, when it divested its local operations intact to the Fijian government, CSR was the most powerful economic and political entity in Fiji – virtually a ‘state within a state’. It was highly profitable and therefore aggressively exercised its economic power, often challenging even the colonial administration. Despite the multiplicity of CSR’s difficulties in Fiji, it was well-funded, committed to its broader aims of industry development, and introduced good management skills (notwithstanding frequent accusations of ruthlessness in managing its human resources). With the exception of a few early years, the company enjoyed a competitor-free market condition. It was instrumental in laying the foundation for the interests of ancillary Australasian businesses (Appendix B), and their subsequent control and domination of most other South Pacific island states as well – with the exception of French Polynesia and some American dependencies (Appendix J). The spread of capitalist ideology and profit motivations had shaped and defined the modus operandi of the predatory corporations owned by the emerging ruling elites, with their connections to the early European settlements created by new immigrants to Australia and New Zealand.22

It should come as no surprise, therefore, that Australian and New Zealand businesses continue to dominate and still overwhelmingly maintain control of the political economy in Fiji (and many other Pacific Islands); however, by the 1970s, when most PICs achieved political liberation, they were already saddled with under-developed economies and were desperately searching for investment in infrastructure, education, health and social services. (This was mostly ignored by colonial administrations and, therefore, non-existent or under-resourced in virtually all the PICs). The unhindered progress of colonialism and its exploitation ensured that the profits generated by the colonies funded development in some distant Western metropolis rather than local national priorities.

Essentially, from the 1960s onwards the devolution of power to the new ruling elites in the Pacific caught them having to swallow their nationalist pride and follow the dictates of the same colonial powers, which had morphed into benevolent big brothers proffering advice on how to solve the challenges besetting their countries. Suddenly, they knew what was best for the islanders and seemed to have all the answers to their myriad problems – which the colonial

22 O’ Lincoln 1997.
powers had created in the first place or refused to address when they were administering the island states. Almost immediately the newly independents countries (NICs) were burdened with foreign debts (due to borrowings that once could have been part of their own funds) to undertake developments based on advice from their erstwhile rulers or the financial institutions controlled by former colonial powers, such as the IMF, World Bank or ADB. As we will see later, for this privilege they had to commit to undertake (in two subsequent waves) free market-oriented structural adjustment programs and other targeted reforms. This was often in conjunction with additional bi-lateral pressure from regional powers Australia and New Zealand, who made foreign aid conditional upon designated reforms, after accepting the same conditions or international initiatives dictated to them by the same supranational institutions set up by the colonial powers.

2.2. The Colonisers Never Left: Consolidation of the Unseen Order

As demonstrated in Chapter 1 there were three Fijis, and the paradigm of national governance throughout all distinctive phases of the country’s history retained differing roles imagined by or historically assigned to each of the three ethnic communities. The unbridled racism of the colonial era and corporate exploitation of ‘Indian’ labour went hand-in-glove with their subjugation and mistreatment, and is well documented by a number of sources. In his two books on Fiji, Kenneth Gillion managed to capture their underlying suffering, brought on by the perceived challenges to European dominance by the Indo-Fijians, at least up to 1946. Two recent publications by prominent Indo-Fijian academics provide excellent perspectives on their struggles, and do justice to some aspects which were either overlooked or received limited attention in colonisers’ version of recorded girmit history.

Most scholars agree however that the Indo-Fijians were never envisioned as part of the Fijian society created by the British, who regarded them as outsiders whose primarily usefulness was as a source of cheap labour exploited for the development needs of the colony. Accordingly, in the discourse of the colonial and post-liberation struggles the representation of Indo-Fijians as metaphoric ‘others’, whilst adequately documented, has remained largely misrepresented; in fact, their presence, post-girmit, was increasingly viewed as a ‘problem’. From the outset, the Indo-Fijian demands for equal rights were resented by the unseen order, and subsequently, their

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enthusiasm for de-colonisation was countered by the indigenous Fijian establishment (the GCC, ruling indigenous elites, RFMF and the Methodist Church), inextricably linked to the powerful white minority committed to prolonging the British presence. When independence eventually arrived in 1970, it provided excitement, hope and expectations for new directions, but the hegemonic power of the Fijian establishment, allied with the unseen order, was vehemently opposed to many proposals for change and, therefore, disinclined to tolerate any perceived threat to the neocolonial status quo. There was early resentment of Indo-Fijian agitation for political change that involved power-sharing and demands for a more egalitarian society. Even then, the indigenous nationalists were asking for the expulsion of Indo-Fijians from Fiji for seeking independence from Britain.

The post-coup indigenous Fijian rhetoric indicates however that Indo-Fijians may well have over-estimated their acceptance in the euphoria generated by the prospect for political liberation. They may not have vigilantly scrutinised suggestions for the advancement of multiculturalism or the country’s commitment to liberal democracy, in the context of an independent Fiji as envisioned by its chosen ruling elites. In a peaceful transition of sovereignty the leadership had gained political freedom, at least in theory, but whether they ever acquired control of their economic power, without which they remained at the mercy of former colonisers, is contentious. The Western concept of liberal democracy was a foreign flower planted in a savage wilderness yet to be fertilised by and soaked in the potentialities of a secular state with renewed commitment to human rights, the meritocracy, egalitarianism, and libertarian principles. A critical analysis of Fiji’s independence suggests it may have been a grand political gesture by Britain, heralding the end of imperialism whilst simultaneously instituting other forms of subjugation. In reality, the colonial powers never left but devised more subtle strategies to exploit their former colonies and Fiji was no exception; it too was forced into confronting the vagaries of Third-Worldism.

The post-war emergence of growing American power and its leadership of ‘core’ states (former colonial powers rebadged as ‘core’ states) demanded their fair share of the spoils from global economic imperialism. By 1870, the US economy became the largest in the world and, by 1913, its output was two and half times greater than that of the United Kingdom or Germany, and four times that of France. Its per capita GDP exceeded that of the UK by 20%, France by 77% and Germany by 86%. The mid-nineteenth century American worldview is encapsulated in a

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painting by Frederick E. Church called The Icebergs, which purported to represent the Alpha and Omega of time and tide; it seeks to depict the American belief in the ‘manifest destiny’ articulated by John C. O’Sullivan,\textsuperscript{27} who had anticipated the continuation of US territorial expansion westward all the way to the Pacific and beyond (which was accomplished by 1861). The US and its people were thought of and sanctified as the New Israel, and the American Garden of Eden was metaphorically white, pure as the iceberg – but its greatness or self-belief in its destiny was constantly undermined, just as the iceberg was likely to encounter the uncertainty of turbulent waters. To the American expansionists, annexation of Texas, New Mexico and California, followed by the military campaigns in Hawaii and the Philippines, were glimpses of a prelude to American reign of the vast expanse from Atlantic all the way to the vastness of the Pacific. Their fortunes were guided by divinity and the inevitability of the ‘overspread of the continent allotted by Providence’ was perceived internally as a just cause.\textsuperscript{28} Over the intervening years American administration alternated between the Democrats and the Republicans, but this worldview – its foreign policy direction and attitude towards the South Pacific, in particular – did not undergo significant changes. The American territories in the Pacific and the South Pacific as a whole remained of vital American interest, together with the former colonies or dependencies of its Western allies (Appendix J). They continue to be of strategic importance to ensure that the US remains the sole hegemon of the Pacific Ocean. Ultimately, the Seventh Fleet of the US Navy is the preeminent peacekeeper and underwriter of stability in the Pacific, as well as keeping all its sea lanes open for global trade.

The movement to decolonise had gained momentum in the 1960s, and by 1980 most Pacific islands had achieved independence, with the exception of French Polynesia and some existing dependencies of the US, New Zealand, the UK and Chile (Appendix J). It also coincided with the far left radical upsurge of the 1960s and 1970s that tilted towards leftist nationalism through alignment with movements seeking to liberate the globally oppressed masses. Accordingly, as a reflection of the times, after its independence in 1970 Fiji and several Pacific Islands adopted a number of foreign and domestic policies that were viewed as being detrimental to the interests of the former metropolitan powers and the US. In particular, the formation of the South Pacific Forum (SPF) in 1971 (its name was changed to the PIF in 2000) made the US increasingly concerned about the PICs’ intention to collectivise their approach to trade negotiations and decision-making. In a number of disingenuous moves, the US tried to undermine the


\textsuperscript{28} ibid.
independence of PICs and their affiliated organisations. For example, in 1977, the SPF countries decided to adopt the two hundred mile Economic Exclusive Zone (EEZ) and establish a South Pacific regional fisheries agency called the Forum Fisheries Agency (FFA). Apart from confirming sovereign regional jurisdiction over resource management in the EEZs, it created an infrastructure through which SPF countries were able to present a united front in their fisheries negotiations, but the US viewed the FFA as inimical to its economic interest and wanted the most valuable marine resource, tuna, excluded from its jurisdiction. The United States applied for membership of the SPF in 1978 but was rejected by all members except Niue. Undeterred, the United States then tried to circumvent their objections by getting American Samoa admitted as a member of the SPF, but its territorial dependency on the United States made it ineligible for membership. This is a none-too-subtle illustration of the policies major powers adopt to subvert or undermine the economic independence of the PICs.

Following Ronald Reagan’s election as the President in 1980, the US Pacific policy of the 1980s underwent a major reconfiguration. The 1947 Truman Doctrine had firmly established the policy of ‘containment’ of communist ideology in the South Pacific, but the Reagan administration actively sought to destroy Soviet communism (Marxism/Leninism) and its worldwide interests by consigning them to the ‘ash-heap of history’, describing the Soviet Union as an ‘evil empire’ in a broadcast rehearsal not intended for public consumption. Reagan’s appointee as Ambassador to Fiji in 1982, Fred Eckert, was encouraged to forge very close ties with the Mara government, and he cultivated Mara with an ‘open’ invitation from the United States government to contact US officials and engage them during his visits to the US. Mara held a meeting with Admiral Robert Long, Commander of the US Pacific Command (CINPAC) in Hawaii in 1982, claiming it was a private visit. However, soon thereafter Fijian soldiers were being trained by the US and Mara was invited to the White House to receive high praise for his leadership from President Reagan.

29 American presence in Fiji has been problematic from the outset. Fiji was ceded to Britain in 1874 to liquidate the exaggerated debts of the US government and its threats of reprisals if no action was taken by Seru Cakobau. After the rejection of an initial offer by the British in 1859, the islands were offered to the US but it failed to respond due to its preoccupation with the Civil War (Derrick 1950, pp. 95–135). Historically, US engagement with Fiji has created tensions: for example, publications by John Coulter (1942), James Michener (1950), and Theroux (1992), together with the US response to the 1987 coup, and its alleged involvement therein. A New York-based American TNC was implicated in subverting the outcome of the 1982 election campaign and a number were accused of indirect involvement in the 1987 and 2000 coups. More recently, the US has aggressively sought to secure timber and fishing rights. Effectively, Fiji had swapped possible Japanese imperialism for that of the US/Britain/Australasia, due to their strategic economic and military alliances.
31 ibid.
32 V. Lal 1990, p. 144.
In exchange for his co-operation to keep the region free from Soviet involvement, Fiji became the first Pacific nation to have a bi-lateral agreement with the US, with a promise of favourable considerations of sugar deals, rights for its national carrier ‘Air Pacific’, and an agreement on fisheries. The US Defense Department also agreed to provide $300,000 to standardise the rifles used by the Fijian military. Military co-operation between Fiji and the US was carefully nurtured, commencing in 1983, under the Pacific Armies Management Seminars (PAMS) organised by the Western Command of the US Army in Hawaii and the International Military Education and Training (IMET) programs run by the Pentagon. Elite US Green Berets also trained with Fijian soldiers as part of their UN-sponsored peace-keeping duties in the Middle East. Apart from training Fijian officers in US military staff colleges, the US had helped re-equip the Fijian army. This American generosity was repeated when the US sold three former US Navy Bluebird Class 44 metre minesweepers to Fiji at ‘nominal cost’; these were later commissioned to keep watch over its two hundred mile exclusive economic zone, an exercise highly useful in serving US business interests.

In the post-war years Australian and New Zealand allegiance had shifted from Britain to the US. With respect to the ANZUS alliance, as regional powers these nations have acted as eyes and ears for the Americans in the region. This alliance has served the economic interests of the US and Australasian capitalists closely allied with the Fijian ruling elites. In line with American thinking, over three and a half decades after Fiji’s independence, the Australian rhetoric inherent in the narrative of its early engagement in the region has not substantially altered, and the fears of communist influence have been replaced by the incursion of the ‘other’ or ‘yellow hordes’ likely to destabilise the region. By the mid-1960s the White Australia policy and its segregationist and xenophobic ethos that excluded anyone not sufficiently ‘Anglo’ from the Australian mainstream were being replaced by a more constructive engagement with people of colour, yet Australia’s regional commitments still appeared to be substantially influenced by a colonially-derived mindset. Australia and New Zealand, while claiming to be an integral part of the region, remain oddities in the Asia Pacific region and are economically, ethnically and geopolitically linked to the Western configurations of global power structure (for example, the OECD and ANZUS) but they have historically hunted in tandem to safeguard their regional economic priorities.

33 ibid, pp. 145–146.
34 ibid.
35 The ANZUS Treaty (Australia, New Zealand & the US) has, since 1 September 1951, represented a ‘cornerstone of security in the Pacific region’ (V. Lal 1990, p. 143).
More recently, Australia’s Pacific Solution for asylum seekers (variously termed refugees, queue jumpers, illegal arrivals, boat people, potential terrorists and detainees) and the aggressive trade-oriented policies of the Howard government, committed to the spread of neoliberalism in the Pacific, were privately resented in the region, and publicly PICs challenged their Australian domination by adopting a ‘look north’ policy. It had little impact on Australian foreign policy for, as a 2000 defense policy paper acknowledged, Australian priorities lie in promoting ‘long-term U.S. strategic engagement in the Asia Pacific’ region and in preserving its own national interests by pre-empting any external threats that may destabilise the region. The competition from other colonial powers (France and Germany) has been replaced with the potential rivals India, Japan, China and even some smaller ASEAN nations. In March 2003, Prime Minister John Howard declared that Australia would make a pre-emptive strike against ‘terrorists’ in the Asia-Pacific region, drawing a swift rejoinder from Malaysian newspaper New Strait Times, describing him as ‘Uncle Sam’s foremost flunky’. President George W. Bush had earlier described John Howard as his deputy sheriff. Australia has the biggest economy and military in South East Asia and the South Pacific region, and when the ‘sheriff’ agreed to send its troops and civilian personnel it expected full immunity in relation to any actions taken in restoring law and order under special legislation, as demanded by the Howard government during its aid-related intervention in the Solomon Islands.

After instigating changes to the Bekitawa Declaration of 2000, the two regional powers had clearly anticipated some form of joint intervention in the Pacific. As recent events in East Timor, Tonga, the Solomon Islands, Vanuatu and Papua New Guinea all attest, the post-colonial policy of ‘benign neglect’, to borrow from the Melbourne Age, has been superseded by more active involvement to combat threats to Australian commercial interests from rogue, failed or failing states. The provision of monetary aid was supplemented by police, military or other personnel, such as economists, accountants, lawyers and other experts to assist in restoring law and order, including building state institutions or infrastructure in order to restore or reconfigure stable conditions for business investment purposes. Australia’s continuing imperialist agenda and a more aggressive posture were summed up by John Howard recently: ‘this is our part of the world…this is our patch’. Australian foreign aid is now conditional upon good governance and its long-term strategy appears to be the removal of any impediments to foreign TNCs or other interests securing effective control of rich mining, timber, fishing and other resources in the region.

36 In the region understood as the Forum Island Countries (FICs) looking to Japan, Korea, India, China, Malaysia, and other Asian countries for assistance; often to spite the traditional regional powers, Australia and New Zealand.
Table 2.1: Actual and Forecast Donor Assistance for the period 2002 to 2006 in F$

<table>
<thead>
<tr>
<th>Donor</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Estimate</td>
<td>Forecast</td>
<td>Forecast</td>
<td>Forecast</td>
</tr>
<tr>
<td>---------</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
</tr>
<tr>
<td>Australia</td>
<td>6.8</td>
<td>15.65</td>
<td>12.26</td>
<td>7.65</td>
<td>7.63</td>
</tr>
<tr>
<td>Canada</td>
<td>0.25</td>
<td>0.25</td>
<td>0.27</td>
<td>0.13</td>
<td>0.0</td>
</tr>
<tr>
<td>China</td>
<td>2.75</td>
<td>6.00</td>
<td>2.00</td>
<td>1.50</td>
<td>0.0</td>
</tr>
<tr>
<td>EU</td>
<td>12.84</td>
<td>23.58</td>
<td>27.82</td>
<td>17.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Japan</td>
<td>4.80</td>
<td>8.22</td>
<td>12.99</td>
<td>8.50</td>
<td>8.00</td>
</tr>
<tr>
<td>Korea</td>
<td>0.20</td>
<td>0.20</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>New Zealand</td>
<td>0.86</td>
<td>3.43</td>
<td>1.05</td>
<td>0.71</td>
<td>0.71</td>
</tr>
<tr>
<td>UNDP</td>
<td>0.25</td>
<td>0.98</td>
<td>1.63</td>
<td>0.27</td>
<td>0.27</td>
</tr>
<tr>
<td>Others</td>
<td>1.60</td>
<td>6.00</td>
<td>2.96</td>
<td>1.72</td>
<td>2.36</td>
</tr>
<tr>
<td>Total</td>
<td>30.35</td>
<td>61.00</td>
<td>60.98</td>
<td>37.48</td>
<td>28.97</td>
</tr>
</tbody>
</table>


As Table 2.1 indicates, Australia is by far the single biggest donor to Fiji apart from the combined contribution of the EU super state. Interestingly it does not record US aid separately, while signifying growing Chinese interest in the country, but more importantly, it highlights India’s continuing token presence and limited direct engagement with Fiji. In 2005, Australian Aid to the region as a whole, totaling A$1,021 million under Overseas Development Aid (ODA), was allocated as A$436 million to Papua New Guinea, A$202 million to the Solomon Islands, and A$383 million to the rest in the region. Against this largesse the trade imbalance from the region in Australia’s favour was about A$8.5 billion per annum. Total New Zealand aid stood at NZ$100 million but the balance of trade in its favour was NZ$701 million, with exports of NZ$856 million and imports accounting for a mere NZ$155 million. As shown in Table 2.2 Fiji is not an excessively aid-dependent country and its per capita aid was the lowest amongst the PICs, with its total donor aid representing about 2.4% of GDP in 2004. Australian aid to Fiji was less than 1% of its GDP in terms of 2004 figures; however, due to the continuing political turmoil and its economic consequences aid is still a vital source of Fiji’s development funds. Even at the time of independence, Fiji was not heavily aid-dependent by the standard of Pacific micro-states, receiving only US$49 per capita of population, compared with a regional average of US$176 in 1983.

Professor Helen Hughes (ANU) has argued that there appears to be an inverse relationship between aid and economic growth in the Pacific, noting PICs were recipients of about US$50 billion since 1970 (expressed in 1998 dollars, or about A$100 billion). Despite their benign

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37 See <www.pacificmagazine.net/issue/2005/05/01/the-regions-10->, viewed 14 January 2008.
appearance and indications of extreme generosity, aid received from donor countries is largely self-serving. Whilst these numbers appear impressive, in real terms they constitute mere petty cash for the donor countries that derive tremendous economic and strategic advantage from the region at large. Just as ordinary gifts bind the receiver to the giver by the unspokenness of the rituals, foreign aid has never been without strings attached. Moreover, under the neoliberal agenda it has been unequivocally promoted as aid-for-trade. AusAid suggests that the objective of the Australian aid is to advance Australia’s national interest and its private sector plays a significant role achieving that objective through provision of expertise to identify, design and implement aid projects in the Pacific. However, as noted by AidWatch, as much as 70% of Australian aid ‘boomerangs’ back to Australian corporations by way of consultancies or advisory services, instead of being allocated to empowering local communities or applied directly to socio-economic development projects.\(^{41}\) The figuring by AidWatch confirms what many suspected: the principal beneficiaries of huge aid packages were Australasian, US, UK and European companies and individual consultants, proving vast development aid was more a mirage than a reality. Mostly the experts and TNCs from donor countries benefitted from foreign aid; when conflated with the fungibility of aid allocation and the systemic corruption in some countries, the intended recipients were left wondering whatever happened to the enormous amounts often mentioned in the press. Large numbers of economic reform and governance allocations were designed to promote Australian neoliberal policies in the PICs or their institutions. For example, in 1999 Hassall & Associates was awarded a contract worth A$8.5 million to reform Fiji’s taxation and customs departments; the Kerry Packer-owned consulting company, GRM International, obtained A$5 million contract to introduce ‘public sector reform’ in Samoa.\(^{42}\) Significantly, Hughes agrees with AidWatch’s assessment, and without putting a number on it, suggests ‘much of it returns to donor countries in remuneration for consultants and implementing companies.’\(^{43}\)


\(^{42}\) ibid.

\(^{43}\) Hughes 2003, p. 20; see also Kelsey 2004.
Table 2.2: Selected Indicators; South Pacific and Sub-Saharan Africa, 2000

<table>
<thead>
<tr>
<th></th>
<th>Population 000s</th>
<th>Aid per Capita US$</th>
<th>Trade as % GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>Fiji</td>
<td>11.9 *</td>
<td>35.9</td>
<td>131.6</td>
</tr>
<tr>
<td>Samoa</td>
<td>170.0</td>
<td>161.0</td>
<td>114.7</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>447.0</td>
<td>153.0</td>
<td>119.6</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>5,130.0</td>
<td>53.7</td>
<td>86.8</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>197.0</td>
<td>232.5</td>
<td>97.8</td>
</tr>
<tr>
<td>Tonga</td>
<td>100.2</td>
<td>187.8</td>
<td>71.6</td>
</tr>
<tr>
<td>Kiribati</td>
<td>90.7</td>
<td>197.0</td>
<td>126.3</td>
</tr>
<tr>
<td>New Caledonia</td>
<td>212.7</td>
<td>1,646.3</td>
<td>46.1</td>
</tr>
<tr>
<td>French Polynesia</td>
<td>235.0</td>
<td>1,713.1</td>
<td>29.1</td>
</tr>
<tr>
<td>Marshall Islands</td>
<td>52.0</td>
<td>1,100.6</td>
<td>78.7</td>
</tr>
<tr>
<td>F.S.M.</td>
<td>118.1</td>
<td>860.5</td>
<td>85.5</td>
</tr>
<tr>
<td>Palau</td>
<td>19.0</td>
<td>2,059.5</td>
<td>68.8</td>
</tr>
<tr>
<td>Saharan Africa</td>
<td>658,940</td>
<td>20.4</td>
<td>64.3</td>
</tr>
</tbody>
</table>

(* This figure appears to be incorrect; it should be approximately 800.0, in this author’s view)

1990 figure, 21999 figure, 31995 figure

The two dominant economies perceive the region as their colonial inheritance or their ‘patch’, and they are determined to control it at any cost. Professor Jane Kelsey – unkindly labelled an ‘activist’ for pointing out the downside risks to the PICs in negotiating free-trade agreements (PICTA and PACER) – claimed the negotiations were subject to improper scrutiny and conducted in secret with displays of ‘arrogance’, ‘backroom bullying tactics’ and ‘coercion’ to arrive at a settlement. The superior expertise of specialist Australasian trade negotiators overwhelmed their counterparts from the PICs. They were motivated by a desire to keep the EU and others out of their ‘patch’. However, these agreements serve the ideology of neoliberalism as opposed to the best interests of the PICs: Kelsey has suggested they imperil their limited diversity, contribute to huge trade imbalances, eliminate revenues derived from tariffs, and create conditions conducive to socio-political upheavals or chronic instability, thereby retarding progress. This is clearly demonstrated in Fiji. PICs argue that there appears to be an Australasian attitude of condescension and collective amnesia which disregard the super profits generated from the exploitation of colonial plantations in Fiji, PNG, and Samoa by the Australian, UK and New Zealand corporate giants. Neither the exploitation of cheap labour provided by Indo-Fijians and other islanders, nor the control of resources and the environmental vandalism of Nauru to provide fertiliser for Australasian agriculture, seem to present any ethico-cultural awkwardness. It is not uncommon to hear private disparagement of indiscretions or

45 ibid.
malpractices attributable to colonialism and neocolonialism that are then conveniently expunged from the consciousness of their former potentates.

In addition, despite their long engagement and preeminence in the region, successive Australian governments have attracted criticism for their policies, which are considered neo-imperialist by the regional leadership. One commentator suggested Australia lacked adroitness or political sophistication in treating its immediate neighbourhood, and gave the impression of mishandling some of its obligations in the Asia-Pacific region. Until recently, Australian foreign policy was one of a benign detachment aimed at maintaining business-friendly stable governments without any hint of re-colonisation. In conformity with this policy, within the first week of the first coup in Fiji, the Hawke government did not impose harsh sanctions and, within days, more or less conceded Rabuka’s regime as a fait accompli. Whilst desperate pleas for assistance and sanctions were being smuggled out from Fiji, correspondent Mike Steketee suggested that the Australian government appeared to be more concerned with protecting Australian business interests and its huge annual exports to Fiji. In the midst of threats of sanctions, the Fiji rugby team was, after consideration, assured of a place in the Rugby World Cup in Australia and New Zealand. In view of ‘soft’ sanctions and implied support for the military, the actions taken by regional powers to avoid confrontation with Fiji were regarded by the deposed leadership and Indo-Fijians as callous responses. To add to the contradictory stance, Neil Brown, Deputy Liberal Leader under John Howard and Opposition Foreign Affairs spokesperson, reprimanded the Hawke government for its ‘extravagant criticisms’ of the unfolding events of May 1987. Ironically, he made these remarks two days after the coup, whilst in Fiji to attend the Pacific Democratic Union Conference. In responding to the coup, and to the issue of which government Australia should recognise, he stated:

I think it’s too early to make that decision. This government itself will, for all we know, call an election at a very early time and, of course, if an election were to produce a democratically elected government we would recognize that government.

46 See Nandan 1993.
49 American sponsored meeting of conservative politicians. Also in attendance were Malcolm Fraser, John Valder, Robert Hill and Bronwyn Bishop from the Australian Liberal Party, as well as Ratu Mara, Jim Ah Koy and Ahmed Ali from the Alliance Party in Fiji (see Robertson & Tamanisau 1988, p. 93).
It was widely condemned by the FLP, many Hawke government ministers, and key commentators as a preposterous remark, in view of the demise of the democratically-elected government, perceived as ‘socialist’, that had just been deposed in a military coup. The Deputy Leader of the alternative government of Australia had unambiguously articulated his support for another ‘democratically elected government’, instead of supporting one fairly elected by a large majority and unlawfully overthrown in violation of the country’s constitution.\footnote{This is not regarded as an isolated incidence, given recent US-led covert operations (generally supported by Australia and most Western countries) to undermine or replace more independent or reformist governments in Peru, Zaire, Middle East, Jamaica and Yemen. An example of Western embarrassment at a democratically-elected government emerged in Gaza recently, which is now being undermined as the Hamas-led government is unacceptable to the US, the EU, and, in particular, Israel. In the 1970s American involvement to topple governments in Chile, Asia and Latin America is well known and widely documented (see Blum 2003; Chomsky 2007).}

It appeared to compromise Australia’s public stance, an unwelcome development highlighting Australian duplicity with regard to concern for the preservation of democracy and human rights; this was reinforced by the Australian Liberal Party publicly aligning itself with one side of politics. The Liberals had always been closely identified with the Alliance Party. At the official dinner Neil Brown sat next to Ratu Mara. It was interpreted by some observers as though he was being used to soften the tough stand initially endorsed by Australia and New Zealand.

The indecision of the Hawke government and its deference to the US position also gave some experts ammunition to bring it to task. Professor Al McCoy, then a Pacific affairs expert at UNSW, argued:

Australia’s inaction here could be the turning point where it surrenders all influence in the Pacific and an era begins of healthy democracies being replaced by banana republics that are weak, divided client States of the US.

If Australia continues to do nothing, the illegal regime will become entrenched and there will be immense security repercussions for us – our eastern flank will be undefended and destabilized in the hands of a military junta.

Australia in foreign affairs is like a boxer who doesn’t know how to punch. Amazingly, it has no sense of foreign policy direction.\footnote{Sydney Morning Herald, 19 May 1987, p. 2.}

Nonetheless, the Hawke government simply weathered the political storm and, by early 1988, in an effort to forestall other countries (especially France and Asian countries) from filling the vacuum created by the temporary Australasian withdrawal from the islands, the government announced it would restore aid to Fiji in response to a French decision to endow Fiji with an $18...
Whilst New Zealand resisted, Australia had earmarked $20 million for development aid in the Australian Budget for the financial year. Tupeni Baba, Minister for Education in the deposed government, responded angrily: ‘This makes the Australian Government party to what has been done by Rabuka and [Ratu Sir Kamisese] Mara.’54 Such observations neither encouraged Australia to soften its stand nor found favour with the Hawke ministry, but they illustrate with disturbing unambiguity that Australia’s primary concern related to the protection and promotion of its vital economic interests in perpetuation of the unseen order; rule of law, the preservation of democracy, and human rights issues were secondary considerations easily dispensable as second-tier priorities.

In order to avoid further foreign policy embarrassment, Foreign Minister Bill Hayden, relying on a technicality, advised Australia would change its policy from recognising ‘governments’ to one of recognising ‘states’.55 In 1991, while attending a meeting of the South Pacific Forum in Port Villa, Bob Hawke announced that Australia would no longer object to the ‘racist’ 1990 Constitution which sought guaranteed indigenous Fijian supremacy and wholesale adoption of other nationalists’ demands, aggressively delivered through affirmative action programs adopted by the Rabuka regime. In an indecent haste to protect its regional priorities and the commercial interests of the TNCs, the future of Indo-Fijians appeared to be of little consequence and was thus totally compromised. This move signalled that Australia had given its official imprimatur and all was business as usual.56 The economic status quo was restored and the wider interests of the unseen order had triumphed. Despite implementing an overtly racist constitution, Rabuka, who had been promoted by then from Lieutenant-Colonel, to Brigadier, to Major-General, was welcomed in Canberra in 1993. He was feted and played golf with Foreign Minister Gareth Evans. The new Republic of Fiji was recognised with a 21-gun salute, military aid was restored and full diplomatic relations normalised. Emboldened by such reactions from the preeminent regional power, excesses under Rabuka’s pro-indigenous Fijian government escalated; expressions of xenophobia, overt racism, extortion and threats of violence, endemic corruption and nepotism became commonplace.57 Overstepping the bounds of civility and protocol, Rabuka, echoing the nationalists’ sentiments, called for the deportation of Indo-Fijians without specifying their outbound destination, to pander to the extremist indigenous Fijian audience. Instead of

53 Sydney Morning Herald, 29 January 1988, p. 1. The French decision would have been motivated by a desire to moderate criticism of their nuclear-testing in the region and the removal of Fiji’s support for independence movements in French territories. Other figures, from $8 million to $14 million, have been mentioned elsewhere.
holding post-independence successive Mara governments accountable for the status of indigenous Fijians or their grievances, in a 1994 debate on a bill, Rabuka responded to suggestions of lawlessness and violence as a result of his coups with threats of yet more coups:

I will not and I will never apologize for the coups on 1987 and I am not the only person who feels very strongly about the lot of the [indigenous] Fijian in his own homeland.\textsuperscript{58}

Moreover, referring to the distribution of wealth in the country, he blamed Indo-Fijians for the economic backwardness of the indigenous Fijians:

As long as that happens, I cannot guarantee nor can anyone guarantee, that there will not be another coup in this land. When that happens, I cannot guarantee that it will be bloodless like mine.\textsuperscript{59}

With a sense of hubris and false pride in his ‘bloodless’ coup, Rabuka appeared to be practicing psychological warfare intended to intimidate the Indo-Fijians. His failure to address the country’s numerous problems necessitated reliance on the habitual indigenous Fijian mantra, once invoked by the colonisers but perfected by Mara/GCC/Alliance Party, that of blaming Indo-Fijians for an array of indigenous grievances. His regime lacked policy direction, often came under criticism for nepotism or corruption, and appeared bereft of imaginative solutions to a plethora of fiscal ills facing the country. Rabuka’s stance, and its subordination to the regional priorities of the unseen order advocated from outside the country, raised an obvious question: was his bravado an attempt at thinly-veiled political expediency or a contrived ‘intentional ignorance’ for the continued demonisation of Indo-Fijians, to appease the nationalists and conceal the broader failings of indigenous leadership which had undermined country’s economic (and even political) sovereignty?

Thus Australia’s tolerance of an indigenous Fijian dictator, who sought to impose a form of apartheid in its backyard, was not interpreted as a temporary aberration. Australia fervently condemns despotism in other parts of the world and its stance was translated in the region as dangerously duplicitous and rejected as being at odds with the values and democratic traditions Australia wishes to preserve and promote in ‘our patch’, to borrow from John Howard. The haste with which Australian governments acted to remove sanctions, and their recognition of a racist military government pursuing segregationist policies, seeking enforcement of a racist

\textsuperscript{59} ibid.
Constitution that effectively disenfranchised a large part of Fiji’s population, was quite ill-conceived – though not totally irrational, from a purely politico-economic perspective of a country committed to safeguarding its vital regional or economic interests. Nonetheless it stood to compromise Australia’s standing in the region at large, and signalled to the ultra-nationalists in the Taukei Movement that acceptability of some of their more unreasonable demands could also be tested. It also implied that Australia was prepared to adopt an indifferent gaze with respect to the quite objectionable demands of militant Taukeists, based on religious fanaticism or other expressions of nationalistic portentousness.

As a regional power, Australia understandably wants to preserve its national interests, but it is also held responsible by the regional community for any corresponding blunders of short-term solutions to intractable problems at its doorstep. Australian responses to the coups were based on fears of India’s growing global power and, for all the rhetoric, Indo-Fijian loyalties are still erroneously perceived in the media as inextricably linked with India. They were always perceived as a potential threat to Australia’s interests, ever since they confronted the unfairness imposed on them by CSR, a major Australian TNC. The lack of sympathy they generated in Australia for their post-coup predicament had a lot to do with this perception, combined with undercurrents of the fear of the ‘other’ that still permeates the Australian psyche. Within months of the first coup, Financial Review’s correspondent Michael Brynes, in a feature article from New Delhi, expressed fears of a ‘Silent superpower on our “doorstep’” and suggested:

India’s strong ethnic influence in parts of the region, especially Indonesia (and what could have been important, in Fiji, before the Rabuka takeover) brings the importance of India all that much closer to Australia, as Indian and Indonesian security concerns begin to interact unpredictably.

In analysing the discourse on the various dimensions of conflict in Fiji, one finds a similar view consistently expressed, with only fleeting references to the domination of the Fijian economy

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60 Despite this perception, Indo-Fijians do not have strong ties to India but, in the absence of local/regional support, are forced to seek support from the Indian government. Indian government engagement with Fiji and its mediation efforts in the political crises were, at best, unimpressive. Fiji is of little geostrategic importance to India; its priorities are reflected in its participation rate of donor countries (see Table 2.1). The attitude of ‘mother’ India is best summed up by Indian scholar Ashis Nandy, who bluntly advises diasporic Indians to expect little from India: ‘They should not expect India to redeem their self-esteem. Nor should they seek a proxy presence in the public realm of South Asian societies. The diaspora must work towards dismantling links with the mother-country and entering the political realm of their new country’ (cited in D’Cruz & Steele 2003, p. 354). Whilst not inferring that diasporic Indians should forget their language, disown their religion or other cultural heritage, Nandy’s views are consistent with those expressed by the former Indian Prime Minister, Indira Gandhi, who advised Indo-Fijians to pledge their loyalty to the country of their birth during her visit to Fiji: ‘India wants to see the Indians, wherever they have settled, adopt the country as their own and continue with their traditions, culture and religion.’ (Fiji Sun, 28 September 1981, p. 1).

and its financial sector by the Australasian, British, American, European and Japanese trans-national corporations. Yet it is hard to discount a regular pattern of frequent references (inadvertently, deliberately or wrongly asserted) from diverse sources in the media, academia, official reports, unofficial reports of NGO’s and other publications, reiterating the threat of Indo-Fijian domination of Fiji’s economy, with its implied threat to indigenous Fijian interests (in reality, to the interests of Europeans or TNCs). With few exceptions, most commentators hardly ever acknowledge that Fiji’s economy is controlled by foreign investors operating through subsidiaries of TNCs, with Head Offices domiciled in their home jurisdictions or in Australia or New Zealand. The visibility of Indo-Fijians in the retail sector and the professions (most professionals have however emigrated after the various coups) holds them hostage to the notion of ‘Indian’ domination of the Fijian economy. There is no objective evidence to suggest they dominate or have control of the levers of economic or political power. They have a strong presence in retailing, over-represented by a few larger Indo-Fijian businesses, but their overall economic strength is far less than any number of mega trans-national corporations, who dominate virtually all sectors of Fiji’s economy. Shortly after independence, the combined economic influence of just two Australian giants, the W.R. Carpenter Group and Burns Philp (South Seas) Co. Limited, far exceeded those of all Indo-Fijian businesses, and controlled as much as 70% of the Fijian economy.\textsuperscript{62} In the 1990s, the W.R. Carpenter Group controlled almost 25% of Fiji’s GDP.\textsuperscript{63} According to another academic:

\begin{quote}
At the granting of Independence in 1970 overseas companies held 94 per cent of the total paid-up share capital in Fiji, and were responsible for 75 per cent of the total fixed capital formation of all industries.\textsuperscript{64}
\end{quote}

In sharp contrast to the practices of Europeans and Indo-Fijians, under a Mara government initiative indigenous Fijian economic development strategy adopted the Malaysian model of collective capitalism. Therefore, individual indigenous Fijian involvement in commercial enterprises is neither very visible nor readily distinguishable. The collectivist model provides an opportunity for the elite indigenous ruling class and its professionals not only to keep alive their criticism of the so-called Indo-Fijian domination of commerce, but also to actively engage in commercial activities without signifying a strong visible presence. So far their flagship investment entity, Fijian Holdings Limited (FHL), has not been successful in eliminating the

\textsuperscript{62} Rokotuivuna et al 1973.
\textsuperscript{63} See van Fossen 1995, p. 122.
\textsuperscript{64} See Howard 1983.
perception of the ‘economic backwardness’ of individual indigenous Fijians, due to their lack of a visible presence in commerce, which distorts the reality of indigenous participation. The departure of some 130,000 Indo-Fijians created many opportunities for the indigenous Fijians but there does not appear to be any credible evidence that the vacuum or slack created by this exodus has been filled by ordinary indigenous Fijians. Their collectivist approach to state-sponsored capitalism is further developed in Chapter 4.

2.3. The Transition to the Neoliberal Unseen Order and the Empowerment of TNCs

The major criticism of contemporary neoliberalism is based on the fear that it is overly corporate-dominated. Some of the global entities have morphed into gargantuan trans-national or multi-national corporations\textsuperscript{65} that are market-driven mega-conglomerates with power, influence, economic interests and reach that many find discomforting. Scholars have raised concerns about corporate domination of institutions and civil societies, and the structural dysfunctionality of corporate ownership divorced from its vertical management, charged with decision-making based on a hierarchy of executives reporting to a Board of Directors. There is also growing recognition that these executives have the ability to work for their own personal gain without proper regard for the interests of co-workers or even the shareholders. In a ground-breaking study it was noted that ‘self interest has long been regarded as the best guarantee of economic efficiency,’\textsuperscript{66} and that undue attention to pecuniary incentives for executives (in recent decades, executive bonus schemes, employee share schemes, options, and other results-oriented executive payouts that substantially inflated corporate payroll but often saw the negotiation of contractual obligations in a manner detrimental to the shareholders) resulted in shareholder interests not necessarily being well-served by a ‘profit seeking controlling group’\textsuperscript{67}. In the mid-1960s there

\textsuperscript{65} The terms “trans-national corporations/enterprises” (TNCs/TNEs) and “multi-national corporations/enterprises” (MNCs/MNEs) are used interchangeably, but there are subtle differences between them. TNCs/TNEs generally locate their headquarters offshore (or in tax havens) to minimise their tax burden and, accordingly, are accountable to the states in which they conduct their principal activities. MNCs/MNEs are global actors or entities, operating across multiple national borders and not subject to any one commercial jurisdiction. Typically their parent company is domiciled in a developed country, to which they repatriate their profits, and where they conduct their main research and development activity.

\textsuperscript{66} Berle & Means 1932. A detailed examination of the theme is outside the scope of this study, starting with Berle & Means 1932, and progressing all the way to the excesses of the Wall Street executives blamed for the global financial crisis that emerged in October 2008.

\textsuperscript{67} ibid. Both aspects are best demonstrated by the corporate failures blamed on the free market ‘greed is good’ mentality, which triggered the ‘melt-down’ of the global financial markets in October 2008 and wiped out many ‘blue-chip’ corporations linked to the Wall Street establishment. There were earlier indicators of looming disaster, as evidenced by the spectacular corporate failures in the 1980s; the Dot-Com debacle (some suggest it was ‘dot-con’) in the mid-to-late 1990s; the Asian financial crisis in 1997; and recent major corporate failures, such as Enron (2002) and WorldCom (2005). As an aside, a lawsuit totaling US$280 billion was instituted against the tobacco giants for fraud, conspiracy to hide the dangers of smoking and illegal marketing (The Guardian online, 22 September 2004) and allegations of impropriety, bribery, roting of contracts and fraud against Halliburton (the US
emerged deepening suspicion of the broader role played by the corporations, as their activities came under closer scrutiny together with their inordinate power.  

A Marxian analysis held that TNCs were contributors to unequal economic development under colonialism and neocolonialism, and some scholars also viewed them as exploiters of the working class. The expectation of the injection of foreign capital and know-how in domestic economy through corporate activities not only facilitates economic exploitation but confers on TNCs increased influence, which can be covertly exercised to exert pressure on government policies or indirectly implicate corporations in the country’s internal politics. For a successful implementation of their corporate objectives, TNCs are generally reliant upon and seek the co-operation of certain groups among the elites of the host countries where they operate. These ‘locals’ cleverly manage to acquire necessary licences, establish local contacts or lines of communications within the bureaucracy and the executive arm of government, and pave the way for negotiations with the unions or other modes of organised labour.

They constitute the ‘compradors’, forming part of an elitist group who share in huge corporate profits excised by way of consulting fees, commissions, kick-backs and even bribes. In a Marxian analysis, they represent ‘locals’ who voluntarily serve foreign capitalist interests, as opposed to ‘exploited workers’ who involuntarily co-operate through the provision of labour (often without any choice), and are therefore not considered compradors. Typically drawn from the ruling classes, they are found in economies like Fiji, heavily dependent on direct foreign investments. In Fiji, where class distinction exists, the compradorial class can be distinguished from the ‘national bourgeoisie’. The TNCs need the co-operation of the compradors and are not averse to creating them if they do not exist in their operating jurisdictions. The ruling class in Fiji is represented by five social groups: the powerful old gentry (chiefs), the bureaucrats and professionals, the military, the politicians, and the higher echelons of the commercial bourgeoisie.

oil and defense conglomerate, a wholly-owned subsidiary of Kellogg, Brown & Root, whose CEO was Dick Cheney before his tenure as US Vice-President). Halliburton, for example, was awarded US$18 billion in government contracts for reconstruction work in post-war Iraq. It was accused of overcharging American taxpayers US$61 million for gasoline imported from Kuwait and than US$150 million for meals allegedly never served to the troops. In one contract, it could not account for US$1.8 billion (about 42%) out a total of US$4.3 billion overcharged to the taxpayers (SBS Dateline, 6 October 2004).

68 See Barnet & Muller 1974, cited in Utrecht 1978, p. 3.
69 ibid, p. 4.
70 According to the Concise Oxford Dictionary, (in China) chief native agent of foreign business house; agent of a foreign power, from Portuguese comprador = buyer. In modern usage: an intermediary or a go-between, employed by a foreign business to serve as a collaborator or intermediary to transact businesses in the local market. ‘In post-colonial theory the terms have evolved a broader use, to include the intelligentsia – academics, creative writers and artists – whose independence may be compromised by a reliance on, and identification with, colonial powers’ (Ashcroft, Griffith and Tiffin 1998, p. 55 cited in D’Cruz & Steele 2003, p. 356).
71 Utrecht 1978, p. 87.
or corporate class (comprising the national independent entrepreneurs and the corporate compradors). The departing British administration left the country in the safe hands of these compradors, mostly trained in overseas institutions of the ‘core’ (the UK, Australia, New Zealand or US) and sufficiently infused with anti-communist or pro-establishment ideologies. Since the first coup, a new group has emerged which can be described as the military-bureaucratic oligarchs or military-backed politicians. They have increasing control of all levels of government and some are strategically placed in the private sector to monitor operational aspects of key industries.

In the 1970s, in terms of a neo-Marxist rendering, Utrecht excoriated TNCs for being ‘genuine instruments of neo-colonialism, of imperialistic exploitation’ and suggested that they constituted ‘agents of imperialism’. However, by then a leftist orientation was ideologically popular and similar views were quite common, as Barnet and Muller had argued:

The central strategy of the global corporation is the creation of a global economic environment that will ensure stability, expansion, and high profits for the planetary enterprise. The implementation of that strategy depends upon the control of the three basic components of corporate power: finance capital, technology, and market-place ideology. The record of the past dozen years suggests clearly that the global corporation has used these components of power, as one might expect, to promote its growth and profitability. But it is these very strategies which have had an adverse effect on distribution of income and on employment levels in underdeveloped countries around the world… The claim that global corporations are major suppliers of foreign capital to poor countries turns out to be more metaphor than reality.

Utrecht had drawn from the fundamentals of Paul Baran’s oeuvre; he was the first economist to cogently mount an argument that in colonised societies the main reasons for economic and social backwardness were to be found in colonialism/imperialism, the forces of which he suggested operated differently, but managed to produce a similar effect in all dominated areas by strengthening ‘commercial capitalism’ and curtailing transformation of it into ‘industrial capitalism’. In the context of Fiji, his dependency theory in fact recognises that imperialism nurtured a feudal-mercantile order (indigenous chiefs), that simultaneously operated to thwart the rise of the indigenous industrial middle class that could have developed ‘national capitalism’. His theory rests on the assumption that in developing countries like Fiji, which relies on

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72 ibid.
74 See Barnet & Muller 1974.
75 Baran 1957.
production and export of a single dominant product (usually agricultural; in Fiji it was sugar until recently), an exploitative relationship develops through which the country’s economic resources are largely controlled by the local elites (chiefs, compradors and now the military-bureaucratic oligarchs); these are closely identified with the international economy (now understood as the neoliberalised global economy). The domestic economy is disadvantaged because its surplus capacity is ‘commandeered’ through the activities of TNCs for the benefit of an advanced economy of their country of origin. Therefore, the country’s entire socio-economic structure and its productive capacity becomes subjugated to a ‘landholding coalition’ (represented by GCC/mataqalis through NLTB in Fiji), as well as the compradors who remain primarily committed to preserving and defending the existing economic paradigm and its relationship with the metropolis. This arrangement then enables them to project their affluence and formulate ways and means to hold on to power. The compradors (the indigenous Fijian ruling elites, chiefs, Euro-Fijians, and Indo-Fijian entrepreneurs) essentially serve the interests of the power behind the throne, or the eminence grise committed to ensuring that the unseen order is maintained and fostered in perpetuity.

Emerging corporate power and trends continued to be reinforced throughout the 1970s and 1980s and, in the last two decades, corporate-led neoliberalism formed an integral part of the re-colonisation aspirations of Western powers. De-colonisation did not deliver an escape from poverty to most of the developing Third World. Under reassignment of power, only a few countries managed to prosper; most suffered mismanagement, political instability and endemic corruption. Increasingly, the globalisation agenda of rich Western countries, promoted through mega-corporations, came to be viewed as an attempt to further undermine their national development priorities or their sovereignty. A study by Sarah Anderson and John Cavanagh suggests that some corporations have become so powerful that in 2000 their global wealth far exceeded the economies of 140 of 191 recognised countries of the world. In other words, economies of some three-quarters of the recognised countries remained smaller than global economies represented by 51 corporations out of the top 200 largest trans-national corporations surveyed. One could view this as 51 additional de facto borderless-state jurisdictions, more powerful than the existing 75% of recognised states, as we know them. From a total of the

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76 Utrecht 1976, p. 63.
77 ibid.
81 At the time of writing the number of countries accepted by the UN and US State Department.
world’s 100 largest economic entities (recognised states or corporations), 51 were large corporations and only 49 were sovereign states.

Anderson and Cavanagh’s 2000 report revealed that the power of the top 200 corporations and their influence knew no bounds and that, in the midst of the chaos of obfuscation and denial, they have managed a vice-like grip on global power from which they could be extricated only with great difficulty. Collectively, these corporations accounted for over 25% of global economic activities, yet they employed less than 1% of the global workforce. One-third of global trade (33% of aggregate worldwide trade) was transacted among the various units of these corporations because of the incestuous nature of their cross-holdings, subsidiaries, and related/associated companies or branch operations. Of the 200 corporations, American and Japanese companies were represented 82 times (41%) and 41 times (20.5%) respectively. Taken together, they made up 123 slots (61.5%) of the most powerful corporations of the world. In 2000, the combined turnover of 200 top corporations (US$7.1 trillion) exceeded the combined economies of all other 182 countries (US$6.9 trillion), with the exception of the top 9 countries with large economies (i.e. the US, Japan, Germany, France, Canada, the UK, Italy, Brazil and China, although the countries represented in this group would have altered by now). In other words, the strength of their combined economy exceeded those of the entire global economy of all other countries, with the exception of the top 5% of the rich countries. To date there does not appear to be any follow-up study but despite being dated, this study contains some remarkable statistics and helps contextualise the extent to which mega-TNCs wield control over global economic resources, generate wealth and, thus, are in a position to exert consequential political power. Significantly, it highlights a disturbing statistic: despite their disproportionate control of the global economy, they employ less than 1% of the worldwide labour force, yet national development through direct foreign investment and employment generation remain key objectives in all developing countries, where TNCs seek deregulated markets and labour reforms for investments under FDI rules established by the WTO.

Under the WTO rules, elected governments surrender to the demands of TNCs in compliance with the global agenda of economic liberalism, free trade, privatisation, deregulation, elimination of expenditure on social services, and an assault on the concept of public good or community property. Despite the windfall from such activities, the real beneficiaries are not the world’s poor but the corporate elites in most countries – as is the case in Fiji, where many state-owned enterprises have been largely privatised with full support from the local ruling elites/oligarchs (Appendix H). This process has enabled the indigenous elites to secure a piece of the pie in the
communal capitalism model, advanced as securing indigenous control of Fiji’s economy. The contemporary dilemma in Fiji and elsewhere is that fewer and fewer corporations have control over every aspect of people’s lives. They promote their goods and services to consumers who become dependent on their continual supply, but it is their impact on other areas of ordinary lives that causes the greatest concern: they now influence and shape opinions through mass marketing, public relations, lobbying and their ownership of media organisations. They have access to and control over an individual’s requirements for communication, travel, law, finance, food, health, education, safety and security, jobs, and even funeral services. Many governments have now privatised the provision of utility services (water, gas, and electricity) and the operation of roads and railways, and sub-contracted to corporations even the provision of services to armed forces. Even the organisations which were previously more dignified, such as universities and other tertiary educational entities, charitable and religious organisations, are now forced to adopt corporate strategies for their survival and funding, by implementing the ideology of deregulation and privatisation.

In Fiji, sociopathic corporatism is disguised as part of the ‘communal capitalism’ strategy adopted by the Fijian chiefs and the indigenous bourgeoisie, based on the Malaysian model (the New Economic Policy adopted by Malaysia in 1971), which continues to preclude ordinary indigenous Fijians from meaningful participation in commerce. Despite promotion of neoliberalism committed to free markets and free trade, fair trade remains an elusive dream for most ordinary indigenous Fijians, as well as large sections of the grassroots Indo-Fijian community. Economic neoliberalism is presumed to afford a ‘level playing field’ when it is impossible for it to exist, given the vast disparities between the economies of the industrialised developed world, in comparison with the agrarian economies of much of the developing or under-developed Third World. Fiji’s industrial or manufacturing sector is, at best, rudimentary, even though it is touted as the most advanced among the PICs, with the exception of Australia and New Zealand.

Under the WTO, committed to global trade liberalisation, its FDI regime effectively becomes a Trojan Horse, enabling EU trans-national corporations to access previously protected assets of ACP countries, including Fiji; in particular, utilities, oil, gas, mining, forests and fisheries. Their governments are seldom in a position to regulate the behaviour of TNCs threatened with redirection of investments, thus increasing the likelihood of the abuse of corporate power; for example, the gas flaring and pollution of the Niger Delta, the pollution of rivers in Papua New
Guinea through mining, and the conversion of what was once a ‘manicured golf course’ in Vatukoula into a tailings dam to accommodate the operations of Emperor Gold Mines. EGM’s tailing dams have outlets feeding a network of rivers and creeks across some 600 acres of land and the dams ‘are situated upstream from the catchment area for the several thousand people’ who reside in the adjoining township of Tavua. Apart from engaging in environmental vandalism, in a mostly deregulated financial sector TNCs have increased ability to repatriate profits to their parent companies. For example, EGM, a subsidiary of an Australian mining giant, exported gold in an unrefined state (with bullion bars carrying a purity rate of just 80%) and – coupled with a reliance on ‘imported capital equipment, technology and senior management and technical skills,’ together with acrobatic accounting manoeuvres such as transfer pricing – induced leakages of the country’s mineral wealth, contributing to both its economic dependency and deterioration in trade imbalance.

Similarly, CSR is known to have sold sugar to its parent company in Australia at reduced prices for years, under a mechanism known as transfer pricing, with the sugar then sold to the world market at higher prices. Under another arrangement CSR siphoned off profits involving the sale of molasses to its Australian parent company, enabling it to refine or sell it at higher prices on the world market. Sugar exported to CSR-controlled New Zealand refineries at set prices was later re-exported to Fiji at inflated prices. This process in effect subsidised Australian and New Zealand consumers whilst penalising the consumers of Fiji who had actually produced the sugar.

As a consequence of their colonial or post-colonial experiences, despite the liberalisation of FDI rules many poor countries, including Fiji, have chosen not to relax protection of some sectors to which foreign corporations are denied unfettered access. In seeking transfer of technology from foreign corporations, they find TNCs fiercely safeguard their know-how or intellectual property, for which they then demand exorbitant fees in terms of copyrights, licenses, or other rights to intellectual property. In a clear demonstration of imbalance of power, twenty-four Western corporations have instituted legal proceedings against ACP countries, demanding access to their

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82 Prof. Ross Garnaut was head of the International Advisory Group that strongly urged privatisation in PNG and under his chairmanship Lihir Gold, a CRA and Rio Tinto venture, was accused of dumping ‘110 million cubic meters of cyanide-contaminated waste and 20 million tonnes of rock in the ocean in a rich area of marine biodiversity’ (see O’Lincoln 2004).

83 Emberson-Bain 1994a, pp. 210–211 & 218. She notes that the residents registered infections of the skin (scabies, ringworm, and dermatitis), intestine (diarrhoea) and respiratory tract (bronchitis and bronchial asthma). Over 1987 and 1988 there were respiratory infections conservatively estimated at 10,000 cases per annum, attributable to poor hygiene, water and atmospheric pollution.

84 ibid, p. 211.


protected assets. Civil society organisations in some ACP countries have begun to voice their concerns, but these sentiments are not taken very seriously because, although politically independent, ACP countries are seen as economically dependent, with diminished powers of persuasion and negotiability, and unable to enforce their idealised trade arrangements.

According to the UN it is the concentrations of ownership of TNCs, their vertical integration, and their centralised mode of operations that have become the subject of international disquiet. Neoliberalism fostered trans-national corporate domination of global economies and shifted power from nation states to these legally constituted, but not necessarily democratic or ethical, entities. This presents two additional challenges: firstly, there is a tendency for the process of economic neoliberalism to empower trans-national corporations at the expense of nation states, without all the corresponding responsibilities of statehoods. Secondly, the international organisations which drive the globalists’ agenda (e.g. the IMF, World Bank, WTO, and ADB) are not democratic and lack transparency in their decision-making processes. Given that giant TNCs now have concentrated ownership and control of mass media, they have unwittingly become unelected but influential entities, largely unaccountable other than to their shareholders and, to a lesser extent, to the regulatory authorities; this is so provided proper institutional or prudential controls exist in the jurisdictions where they undertake their commercial activities. Thus there exists a great deal of uneasiness about the dangers stemming from unrestrained corporate empowerment in the context of the promotion of global neoliberal initiatives, especially from a Third World perspective. Whilst TNCs represent an important vehicle for movement of capital around the global economy, especially via the foreign direct investment (FDI) rules, they only stimulate but do not guarantee the flow of investment or transfer of technology, expertise and profits. Despite potential flow-on benefits, for Fiji and many developing countries the downside risks of their entry into a global liberalised economy may require careful re-evaluation, as they can be counter-intuitive. In the context of the neoliberal agenda promoted in Fiji, the market behavior of TNCs has been shown to lack commitment to the internal developmental objectives, and their public posturing remains a target for skepticism because of:

- Their lack of loyalty to the operating jurisdiction or to the local communities.
- Greed and opportunism that cause the management and foreign owners no anguish when relocating or closing plants or operational facilities, in response to adverse

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economic conditions or factors affecting the parent company in their home jurisdictions. An example of this is that when Fiji’s garment industry lost out to competition from China, many factories run by Americans, Australians, New Zealanders and Singaporeans closed down.\textsuperscript{89}

- Increased mobility through contrived structures (subsidiaries/associated/related companies or branches) that enable them to leave at short notice, thus enhancing their negotiability and leverage over a country dependent on them for job creation, economic development and improvement of its trade deficit. Additionally, often political and market factors further diminish the host country’s ability to effectively renegotiate operating arrangements, as has been the case in Fiji since the coups.

- Promotion of crony capitalism; for example, in February 1984 the Mara government rejected the western pine landowners’ request to establish a wholly-owned indigenous veneer plywood processing company in western Viti Levu, in favour of a joint venture, Fiji Timbers Ltd. This joint venture involved an Australian company, Westralian, and Kubuna Holdings Ltd., a company based in Bauan province whose shareholders included former Governor-General, Ratu Sir George Cakobau, Chairman of NLTB, Josefata Kamikamica, Jim Ah Koy, businessman and MP, C.J. Cruikshank, MP, and a member of CBM Holdings Ltd., Ratu Epeli Kanaimawi.\textsuperscript{90}

- Exploitation of the country’s investment and development strategies, based on a weak economy subject to political instability that erodes its bargaining power. This is well-documented and clearly demonstrated with respect to the timber industry in Fiji (see Chapter 4), but its mining and fishing industries suffer a similar fate.

- FDI is not perceived as benefiting all sections of the community, bringing into question the commitment of TNCs to the developmental needs of the country, in sharp contrast to their reformative agenda pursued under lop-sided EPAs.

- Foreign direct investments (FDIs) are contingent on the availability of generous tax holidays, duty concessions, depreciation allowances and other localised incentives, specifically designed to encourage development and employment generation but which actually end up costing the country more in the long run. After the expiry of incentives provided, TNCs have no hesitation relocating to other destinations with similar or better programs. In 2005, ADB called for the dismantling of tax holidays and other incentives in Fiji, noting their potential for longer term abuse and their

\textsuperscript{89} Storey 1995; Hannan 2006.
\textsuperscript{90} Robertson & Tamanisau 1998, p. 17.
impact on the economy. They also discriminated against smaller ‘local’ businesses.\textsuperscript{91}

- Accusations of interfering in domestic politics, with a view to protecting their strategic economic interests by supporting policies that directly benefit them, whilst opposing reforms that are perceived as detrimental to their investments (e.g. the controversy surrounding the corporate misdemeanours exposed by the Carroll Report).

- Exploitation of vulnerable and poor workers through support for non-unionised labour or the imposition of harsh conditions (e.g. poor female workers in the garment and fishing industries, farmers or unskilled indigenous workers in the hotel industry).\textsuperscript{92}

- Lack of social or environmental responsibility (e.g. the pollution of rivers as a result of gold mining at Vatukoula).\textsuperscript{93}

- Lack of commitment to ethical practices and excessive political influence. The neoliberal policies have significantly curtailed the power of trade unions, consumer groups and NGOs in Fiji. The country lacks an adequate legal or financial regulatory framework and other prudential controls to regulate the market behaviour of powerful corporations.

- Contributing to corruption and bribery in bypassing limited regulatory regimes. An example of this is that, in the midst of the May 2000 coup hostage crisis, an Australian garment factory owner allegedly gave Speight F$50,000 to protect his assets and business interests. The aftermath of the coup saw an extension of the thirteen-year tax holiday for the garment industry and the businessman becoming a close confidant and adviser to Prime Minister Laisenia Qarase.\textsuperscript{94}

According to a 1995 World Bank Report, the Fijian economy is largely agrarian, with 75% of households working directly in agriculture (crop production), livestock, forestry or fisheries. Its non-agricultural economy has always been subject to control by foreign investors, through TNCs endowed with a great deal of political and economic power. Many Indo-Fijians point to investor indifference towards their parents, who were brought to Fiji to provide cheap labour for CSR. They argue that they are also expected to forgo any ambitions or security for their future, and provide cheap labour to new masters and remain in a limbo land as perpetual guest workers. The

\textsuperscript{91} ADB 2005, p. 26; For detailed current investment incentives available see <www.fib.org.fj>.
\textsuperscript{92} Emberson-Bain 1997.
\textsuperscript{93} Emberson-Bain 1994a, pp. 210–211.
\textsuperscript{94} Naidu 2003.
indigenous Fijians have always ‘technically’ owned the country’s resources, but the real power and control of resources rested with the colonialists and, since their departure, in the hands of the ruling elites and the unseen order. It is the agenda of this unseen order that has shaped the destiny of the nation. Its mutation into an unseen neoliberal order continues to provide convenient opportunities for ongoing collusion between or among the interests of the regional powers, the foreign capitalists and their TNCs, the chiefs and a small corporate class of indigenous Fijians and Indo-Fijians. More recently, many commentators have begun to argue that it was their greed, fear of loss of power and control over economic resources that contributed to the third coup. In small island states, the power and influence of mega TNCs emerge as cause for concern, but any public interest consideration or civil society activism seldom bring about tighter regulation of their activities. The Rabuka government’s commitment to the promotion of a neoliberal economic agenda, under the ambiguous rubric of globalisation, saw deregulation and privatisation of key public sector assets, leading to the creation of a few monopolies controlled by trans-nationals. Some TNCs with a strong local presence were able to use their considerable influence to find support from the public purse, over and above attractive incentives to invest in Fiji, including tax holidays, depreciation allowances, import duty concessions, and generally low rates of taxation compared with the developed economies from whence most TNCs originate. The priorities given to trade liberalisation have placed TNCs in a privileged position. By developing high-level direct contacts with the upper levels of government, they are able to influence government policies or regulations aimed at monitoring their market behaviour. The corporate prudential regulatory regime in Fiji is quite relaxed compared with the TNCs’ home jurisdictions.

Contrary to the abundant evidence suggesting overwhelming foreign corporate domination of Fiji’s economy, the commentaries continue to perpetuate the popular notion that Indo-Fijians dominate Fiji’s commerce and industries; accordingly, they are portrayed as ungrateful of indigenous hospitality, greedy, and constituting a ‘threat’ posed by their alien Indian culture in opposition to the ‘Christianised’ indigenous Fijians. The foreign corporate stranglehold on the Fijian economy is often overlooked in the media, essentially because the media is itself subject to corporate control. With a few exceptions,95 foreign-owned corporate domination of the Fijian economy remains intriguing for having evaded sustained and comprehensive scrutiny. As inexhaustive listings of major corporations in Fiji (Appendices C & E) show, the European dominance of the economy did not cease after independence. A camorra of foreign TNCs exerts

enormous influence on the direction of politico-economic development in Fiji and retains control of most major resources. The Indo-Fijians’ economic influence is confined to the retail sector (although some diversification into manufacturing and service sectors has taken place over the last few decades), but it is disingenuous to argue that they have control over economic or political power in Fiji.

2.4. The Unseen Order in Action: Corporate Intervention and the Carroll Affair

In terms of the political activism of business actors, the most direct and serious challenge to democratic governance in Fiji, by the unseen order linked to foreign corporate interests, occurred in 1982. Although this episode is strictly outside the period under consideration in this thesis, it is vitally important to re-examine it, because not only did the unseen order become briefly visible, but various critical analyses of the incident exposed its modus operandi and provided vital pieces of evidence directly implicating it in Fiji’s ethno-politics. More specifically, it was alleged in a report by the Australian Broadcasting Company’s (ABC) Four Corners television program\textsuperscript{96} that corporate interference in collusion with foreign agents endeavoured to manipulate the outcome of Fiji’s 1982 elections. The program investigated allegations of abuse of Australian aid monies for political purposes by the ruling Alliance Party, with the tacit support of the Fraser government and the Australian Liberal Party Coalition, and probed the shadowy involvement of Australian and American multi-nationals in fuelling the fires of racial politics.\textsuperscript{97} The program made allegations of Australian business involvement in ethno-politics, through collusion with a local Indo-Fijian enterprise, Motibhai & Co. Limited. This company allegedly commissioned a private report, kept secret until June 1981, titled “Report of Consultants to the Prime Minister of Fiji on the Economic and Political Outlook and Options and Strategy and Organization” and prepared by an Australian business consultant and commentator, Alan Carroll.\textsuperscript{98} The Carroll Report, as it was dubbed, suggested a number of ‘repugnant strategies’\textsuperscript{99} for winning the 1982 elections. Specifically, it identified a number of political objectives to be pursued by Alliance Party strategists to hold on to power: first, the identification and exploitation of the Hindu/Muslim divide, with a view to accentuating intra-cultural or religious differences, as well as appealing to the Muslim community by offering them key appointments; second, instilling

\textsuperscript{96} ABC Four Corners, “Echoes of Fiji Election Affair”, aired 3 July 1982.
\textsuperscript{98} Lal 2006, p. 47; V. Lal 1990, p. 86.
\textsuperscript{99} A description offered by retired New Zealand judge, Sir John White, in his report to the Royal Commission examining the allegations. It was an innocuous document containing findings that disappointed many; basically it whitewashed the key allegations but offered recommendations on the ‘inoffensive’ strategies in the Carroll Report.
fear among the Indo-Fijian businesses about the negative consequences of a NFP/WUF coalition victory, in order to enlist support from Indo-Fijian voters; third, the buying-off of the nationalist FNP leader, Sakiasi Butadroka, to contain the splintering of indigenous Fijian support; fourth, encouraging some ministers to resign by offering them appointments or getting ‘something on them’; and, finally, accelerating the prosecution of WUF leader, Ratu Osea Gavidi, with the express aim of thwarting his candidature.\textsuperscript{100}

The targeting and treatment of Gavidi is yet another example of corporate interests with an unequivocal determination to neutralise indigenous Fijian leaders, seen to be opposed to the wider interests of TNCs closely allied with the GCC. Gavidi’s adoption of a more populist rhetoric, attacking Australasian corporate domination of Fiji’s economy, represented an affront to the unseen order. His message was easy to communicate and found resonance because at the time, the W.R. Carpenter Group and Burns Philp (South Seas) Limited (two large listed Australian companies) were excessively dominant in the retail and distribution sectors in Fiji, prices were high in comparison to average wages, and the country’s balance of payment was 10:1 in favour of Australia.\textsuperscript{101} As it turned out, Gavidi was defeated by 125 votes, allegedly due to government vote-fixing efforts to register in his district 700 indigenous Fijian troops, who had returned after their tour of duty serving under a UN Peacekeeping Force in Lebanon.

Another significant recommendation of the now-infamous report was to draw the Kabuna faction closer to the centre of indigenous authority and decision-making within the Alliance Party, dominated by the Chiefs and representing what Prof. Brij Lal refers to as the Eastern Maritime Provinces. One of the intentions of Kabuna Province indigenous business interests was to control and dominate the timber industry in Fiji, and the Australian government offered to underwrite their ambitious foray into timber logging operations under a financial support scheme, to the tune of F$1.8 million.\textsuperscript{102}

The Carroll Report also recommended the appointment of a ‘business leader’ to take control of the Alliance Party’s 1982 election campaign. This position was filled by Isimeli Bose, Operations Manager of Burns Philp’s shipping division, who was given nine months’ leave-of-

\textsuperscript{100} In the Carroll Report it was a reference to possible charges against him, arising from investigation believed to involve a local government matter. The Fiji Supreme Court had however already dismissed the charges in 1982, due to irregularities identified in the lower court hearing. The Director of Public Prosecutions had confirmed that no charges were pending against Ratu Gavidi.

\textsuperscript{101} See Utrecht (ed.) 1984, pp. 336–337.

\textsuperscript{102} Fiji Times, 2 October 1982, p.1; For more details of indigenous Fijian control of timber industry refer Howard 1983, and Durutalo 1984.
absence by his employer, commencing 1 September 1981, to focus on the election campaign. He later confirmed to the ABC Four Corners program that his involvement formed part of Burns Philp’s contribution to the Alliance Party. This clearly exemplifies how non-financial political support can be provided without drawing public scrutiny; it would never have been exposed if the Carroll Report hadn’t been leaked to the ABC. His employer had agreed to cover part of his salary, with Allan Carroll and Geoff Allen arranging for the Australian Liberal Party to train him in Australia so that he could adequately discharge his responsibilities as the campaign manager for the Alliance Party. Geoff Allen had excellent connections to the Liberal Party, having served as the press secretary to a former Liberal Party leader, Bill Snedden. In the face of strategically-managed obfuscation and denial, the NFP/WUF coalition rightly charged that these activities represented foreign corporate meddling in domestic politics, and the abuse of Australian aid money to ensure retention of power by the Alliance Party and its key protagonist, Ratu Mara. The Opposition leader, Jai Ram Reddy, appeared equally incensed by the blatant attempt to divide the ‘Indian’ community and, for the first time, there emerged confirmation of the intrusion of big-money-dirty-politics in Fiji.

A number of interesting points were highlighted in relation to this affair in an Australian newspaper. In a telex sent to the Fiji Times (published a day before the Sydney Morning Herald report of 2 July 1982), Allan Carroll indicated that he compiled the report independently, without direction from Business International, an American corporation of which he was a director. The survey was conducted by Carroll; another Australian, believed to be Geoff Allen, the director of Australian Industries Development Association (AIDA); and an American consultant/businessman, Dr. Jeffrey Race, a consultant to Business International, who ran a firm called Asian Strategies that was based in Bangkok. The Carroll Report was allegedly leaked to the ABC Four Corners program by another Australian, Rosemary Gillespie, believed to be a research officer who worked on the report. After the first coup in May 1987 some

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103 See V. Lal 1990, p. 68.
105 Fiji Times, 1 July 1982, p. 15 - under the heading ‘Carroll Report “not sinister”’.
106 An Australian business lobby organisation that counted among its customers large numbers of foreign TNCs and other Australian-based TNCs.
107 After finishing his studies at Harvard, he worked in Vietnam for the American military intelligence. He was then an employee of the gigantic multinational, Business International, which provided top-level and in-depth strategic analysis to the TNCs for their global operations. Among others, Business International’s clientele included IBM, General Electric, Union Carbide, CRA and up to 75% of major TNCs. The Four Corners program suggested he was well-connected with the US State and Defense Departments and also that he consulted for Washington periodically.
astounding revelations surfaced via a newspaper report, in which a Victorian Upper House member, Joan Coxsedge, suggested that two Australians and an American CIA operative were involved in the coup, and linked them to the allegations raised by the 1982 ABC Four Corners program, pointing to the Royal Commission Report which ‘found clear evidence of outside interference by two Australians and an American acting on his [Ratu Mara’s] behalf’. Coxsedge also claimed that New York-based Business International had been exposed by the New York Times in 1977 to be a front for the CIA, as was the Bangkok-based Asian Strategies. The American company, Business International, had boasted an impressive list of some 75% of the world’s largest TNCs in its client base.

At the centre of the political storm in 1982 was the appointment in the midst of the election campaign of an Australian journalist, Clive Speed, a former ABC producer, as an information consultant to the Fiji government. The appointment was said to be at Mara’s initiative and his salary was paid by the Australian government as part of its aid package. Mara however contradicted this in his interview with Four Corners, suggesting that Clive Speed was ‘paid by the Government of Fiji,’ as reported in the Fiji Times on 2 July 1982. The significance of this lies in the implications of any misuse of aid money, demonstrating how aid funds can easily ‘boomrang’ back to the donor country. When the interviewer suggested that the government media consultant, Speed, was feeding information to a trans-national corporate consultant, Allan Carroll, and tried to persist with the topic, Ratu Mara responded, ‘We have many other people from Australia and New Zealand here on technical aid. I do not wish to carry on further if you don’t mind.’ He then walked out of the room. Regardless of who paid Speed’s salary, it would have come from Australian aid money, and his confirmation that he sent situation reports to Carroll on 13 January 1982 and 15 February 1982 – including ‘partisan comments’, ‘political analysis and some policy suggestions’ – generally created the impression that he was acting as Ratu Mara’s press secretary. He allegedly also attended Alliance Party strategy meetings. Although Speed claimed the ‘reports were personal letters to his friend Mr. Carroll,’ a number of questions were raised on a range of matters. One newspaper summed up the implications of Speed’s appointment, the funding through Australian aid and his connection with local politics thus:

109 Sydney Morning Herald, 18 May 1987, p. 5.
110 Joan Coxsedge co-authored a book on intelligence activities, Rooted in secrecy: The clandestine element in Australian politics.
The involvement of an Australian aid advisor in a local election campaign would be like the US State Department supplying Mr. Fraser with an advisor who then became involved in Liberal Party strategy. There would be a furore if that occurred in Australia.\textsuperscript{112}

It was the first occasion when the involvement of Australian and American trans-nationals was directly confronted as offering a bag of ‘dirty tricks’\textsuperscript{113} aimed at deploying deliberate strategies in wedge politics. Although Ratu Mara was never held responsible for any wrong-doing, it fatally damaged his chiefly influence, and his reputation never recovered to the former stature of a politician committed to multiculturalism and principles of liberal democracy. The episode highlighted the extent to which trans-national corporate interests were prepared to go to preserve their economic power and shield their networks of political connections. Moreover it embarrassed Australia, and its reputation as an independent regional power suffered a serious setback. Among the Indo-Fijian community, who felt historically victimised by Australian policies towards Fiji, charges of Australian hypocrisy resurfaced; they had hardly recovered from the humiliation and corporate exploitation endured under the colonial policies serving the interests of CSR. In their minds, Australia’s self-interest and economic priorities remained paramount and the colonial attitudes towards the ‘other’ still persisted. NFP leader Jai Ram Reddy was sufficiently moved to denounce the position adopted by the two regional powers:

\begin{quote}
This has wide implications for those of us committed to democracy. The greatest contribution Australia and New Zealand can make is to help nurture these institutions and not to be seen to undermine them. This is the greatest disservice one could do to democracy.\textsuperscript{114}
\end{quote}

Until the disclosure of the secret Carroll Report and the ensuing deliberations on possible foreign corporate involvement in Fiji’s politics, Australia had outwardly proclaimed a policy of scrupulously avoiding interfering in the local affairs of its neighbours. The 1982 debacle brought to the surface suggestions of impropriety and conflicts of interest and severely embarrassed the Fraser government. A post-election editorial noted that Australia was the real loser, as its previous efforts to ‘erase the “ugly” image left behind by decades of aggressive business practice in Fiji and elsewhere in the Pacific’ had been destroyed and replaced by an ‘attitude which suggest a residual ambition to exert influence in the domestic affairs’ of other Pacific Islands.\textsuperscript{115}

\textsuperscript{112} Sydney Morning Herald, 15 July 1982, p. 7.
\textsuperscript{113} Sydney Morning Herald, 19 July 1982, editorial, p. 6.
\textsuperscript{114} Sydney Morning Herald, 16 July 1982, p. 11.
\textsuperscript{115} Sydney Morning Herald, 19 July 1982, editorial.
The political ramification of the allegations contained in the ABC’s Four Corners report forced the Mara government to appoint a Royal Commission of Inquiry, headed by a retired New Zealand judge, Sir John White. Other more forceful commentators denounced the market behaviour of some large US and Australian corporations in Fiji and their ‘insidious’ attempt to interfere with local political processes during the 1982 elections, conducted between 10 July and 17 July 1982. In particular, Nandan has argued that the Commission’s November 1983 report destroyed Ratu Mara’s credibility and contributed to his defeat in the succeeding 1987 election.\textsuperscript{116} He compared the events in 1982 with the 1987 election campaign, when ‘certain Australian business interests’ were again involved in ‘destabilising’ the new Bavadra government, and he called for the investigation of the role played by the chief executive of the Western Mining Corporation (then an Australian mining giant), which had an interest in and management rights to the Emperor Gold Mines at Vatukoula. WMC is now a subsidiary of BHP Billiton Ltd, the world’s largest mining corporation. Without providing any definitive proof, Nandan alleged that the military and Taukei Movement were handed large sums of money sourced from Australia to agitate against the government. No investigation appears to have occurred into his allegations but they were serious and substantial enough to have warranted a thorough inquiry. As yet, charges of illegal political interference and inappropriate corporate conduct remain unresolved against a major Australian TNC, which since the 1930s had enjoyed a monopoly in the Fijian gold mining industry.

From a purely strategic investment perspective, the foreign business interests would have regarded with alarm the progressive policies of the FLP and the Bavadra government. They were generally perceived as slightly ‘left-leaning’ and committed to ‘democratic socialism’\textsuperscript{117}. FLP policies sought commitment to a minimum wage for manufacturing employees and did not support indiscriminate privatisation, but called for greater local participation in key industries like tourism. During the 1987 election campaign, the Alliance Party tried to instill fear among the indigenous Fijians losing their land and required to adopt a foreign ideology, ‘in which LAND, FACTORIES, MINES, SHOPS, etc, are ALL OWNED by STATE and the COMMUNITY’ (original emphasis).\textsuperscript{118} Such deliberate misstatements would have been an affront to indigenous communal lifestyles and the whole tenor of the Alliance Party campaign was aimed at manipulating the ordinary voting public.\textsuperscript{119} Any suggestion of nationalisation of native lands or mines or other industries would have been anathema to the corporate interests of

\textsuperscript{116} Nandan 1993.
\textsuperscript{117} Lal 2006, p. 54.
\textsuperscript{118} ibid, p. 59.
\textsuperscript{119} ibid.
foreign investors. Allegations were also made by ALP sources regarding the collusion between large local businesses, TNCs and the Alliance Party to keep wages at low levels, and the as yet ‘unrefuted charge’ of local Indo-Fijian garment companies contributing some F$51,000 to the campaign funds to scuttle any suggestion of minimum wage conditions for the garment industry.\textsuperscript{120}

The various episodes noted above demonstrate nefarious local and foreign corporate interference in domestic identity politics and raise the spectre of probable surveillance by external intelligence organisations of Fiji’s political processes. The use of Australian advisers and aid funds to seek political advantage and the suggestion of strategies which invoke racial politics, intentionally or otherwise, bring into sharper focus Australia’s commitment to respect for democracy, human rights and fair play. Many questions with regard to local and foreign corporate involvement, as well as the possible role of foreign intelligence organisations, remain unanswered and it is unlikely they will be fully uncovered in the foreseeable future.

In the absence of compelling evidence derived from unimpeachable sources, it is difficult to make a proper determination of continuing foreign or Australian corporate involvement in local politics. It is hard not to be persuaded, however, by the strong motivation that some corporate executives might have had to proactively contain or eliminate any perceived threats posed by the NFP/WUF policies in 1982, and, later, those pursued by the FLP/Bavadra government against their vital business interests. In the light of this analysis, one conclusion can be reached: there is sufficient evidence to declare that a number of TNCs were involved in assisting the conservative Alliance government to retain power in 1982 and, on balance of probabilities, they could have been complicit in the 1987 coups. As to their alleged sinister motivations, no definitive conclusions can be made, but concerns for improper etiquette of foreign TNCs and their connections to local or foreign political operatives cannot be categorically ruled out. The existence of some corroborative evidence, when viewed against claims and counterclaims arising from the 1982 and 1987 election campaigns, does not provide irrefutable proof but is strongly suggestive of clear attempts by foreign (Business International, Asian Strategies, Burns Philp, WMC and EGM) as well as local corporate interests (Motibhai & Co., garment manufacturers, Vatukoula Gold Mines and other corporate interests), to undertake pre-emptive measures designed to protect their vital investments.

\textsuperscript{120} ibid, p. 64.
Since these reported cases, no preventative measures have been introduced by successive
governments to rein in any perception of foreign corporate interference in local politics. Fiji
remains politically compromised, and financially it is all but a failed state. It is possible to argue
it is even a ‘rogue state’, which is tolerated by the major regional powers for its strategic or
geopolitical significance. Its reliance on foreign largesse for development and sustainability
undermines economic independence and, by extension, the political sovereignty it so desperately
seeks to uphold. Australasian, American, European, Japanese or Asian TNCs continue to
exercise substantial control and dominate all sectors of Fiji’s economy, where they are
strategically represented; this is most notable in finance and banking, insurances, transportation
and freight, shipping, airlines, mining, manufacturing, tourism, hotels, real estate, retail and
distribution, construction, telecommunications, oil and energy, pharmaceuticals, media, fishing,
beef, copra, timber, legal and accounting, brokering, breweries and liquor, and major trading
houses (Appendix E). The corporate domination of Fiji’s economy and a momentous tilt towards
indigenous ownership of commercial enterprises is more fully explored in Chapter 4.

2.5. New Challenges to Self-determination through Neoliberal Regional Consensus

One key reason for obligatory engagement with PICs is that, despite a regional population of a
mere 7.6 million people, their collective voting power is greater within the international system
(e.g. in the UN General Assembly) than that of about 3 billion citizens of the US, India, Japan
and China. This is a major reason why Fijians (and other Islanders) are courted assiduously for
geopolitical or strategic reasons by China, Taiwan, the US, Israel and the two regional powers.
The intense superpower rivalries generated in the Pacific, in terms of Cold War cleavages, were
covertly managed by global powers by mobilising aid for humanitarian, altruistic or strategic
reasons. Aid allocations were however subject to political, geo-strategic or economic
considerations, ostensibly targeted at the provision of basic services, alleviation of poverty, or
improvement of living standards, when in fact they were utilised to enhance the economic
opportunities of TNCs from donor countries.121

In Fiji the transition from protectionism to market-oriented economic rationalism (neoliberalism)
was accelerated by the creation of the WTO, following the Uruguay Round of GATT. It
effectively undermined Fiji’s independence (and most PICs) without any coercion to re-
acknowledge their subservience to former European colonisers under reconstituted paradigms of

121 Brown 2005, p. 5.
regional engagement. With the demise of the Lome Convention in 1999, the fourteen PIF countries, together with the regional powers Australia and New Zealand, commenced negotiations for a new regional free trade zone, called the Pacific Island Countries Trade Agreement (PICTA) which came into force in 2003. This was aimed at placating the proponents of free trade (major aid donors) but only limited economic advantage accrued to them, as PICTA members conducted limited trade among themselves. They mostly trade with the two dominant regional economies of Australia and New Zealand and, to a lesser extent, with the rest of the world. Accordingly, their next initiative entailed negotiating an alternative free trade arrangement in the form of the Pacific Agreement on Closer Economic Relations (PACER), which extended the regional free trade area to include Australia and New Zealand and came into effect in 2002. In reality, this regional agreement retains the prior trading paradigm under the guise of a comprehensively liberalised trade and investment regime. All PICs, including Fiji, already have a significant trade imbalance in favour of the two dominant economies in the region. Additionally, in a strategic move that excludes the two most developed and powerful nations (Australia and New Zealand) from the ACP economic zone, the micro states of the Pacific lose economic and political strength to effectively argue their case for reciprocal trading arrangements. In this way, they remain vulnerable to exploitation, as the demise of sugar and garment industries in Fiji clearly demonstrates. It may be deliberately disingenuous that Australia/New Zealand are part of the economic trading zone but not the regional grouping that renders the ACP a toothless tiger. For example, one of the principal beneficiaries of the loss of Fiji’s preferential pricing arrangement for sugar under the superseded Lome Convention is the Australian sugar industry.

The PIF meeting in 2001 adopted both the PICTA and PACER agreements. In April 2004, at a special meeting of the sixteen-member PIF in Auckland, a new regional order (intended as a convenient euphemism for ‘regional co-operation’) was foreshadowed by Australia and New Zealand in terms of a 60-page ‘Pacific Plan’, unveiled as the most significant review of the PIF in its history. It effectively called for the establishment of a Pacific economic and political community led by the two dominant economies, which are also the major aid providers to the region and the funders of the Forum Secretariat, based in Fiji, with an annual budget of US$8.5 million. Australia and New Zealand enthusiastically enforce the dictates of the WTO, World Bank, IMF, ADB and other supranational institutions, aimed at ensuring the domination of Pacific economies by their business interests. Some of the thirty-two recommendations of the ‘Pacific Plan’ have been described as ‘radical’, in that they stipulate ‘new thinking’ in line with

‘21st Century Realities’ in substitution of the much-touted ‘Pacific Way’ with regard to the inter-state relations. The Plan disparages the current levels of variability in the standards of governance among PICs, that have repeatedly failed to triumph over ‘instability, violence, corruption and a breakdown of the democratic process’. The spirit of the provisions of the ‘Pacific Plan’ is however similar in many respects to the Cotonou Agreement, which insists that all ACP countries must achieve free trade by 2010 in order to qualify for aid. The measures are primarily focused on enforcing the adoption of a full trade liberation agenda in the Pacific region by 2011, in terms of several fully ratified regional agreements. Collectively, they seriously undermine the national, but more so the economic, independence of Fiji and other PICs. They operate to sabotage limited possibilities for proportionality in trade, thus extending the unevenness of the playing field and ensuring the TNCs, originating from developed economies, continue to have untrammeled access to the resources of the PIF economies, including Fiji.

In another move interpreted as undermining their sovereignty, the ‘Pacific Plan’ also envisaged regional co-operation by allowing the ‘pooling of resources’ to (i) streamline requirements and standardise indirect taxes (customs and import duties which are major sources of government revenue for PICs), (ii) standardise financial and legal systems, (iii) establish a regional panel of judges, (iv) establish a regional shipping industry, and (v) create a regional financial intelligence unit. The PICs continue to resist rationalisation of some key sectors, such as airlines (their national flag carriers), and, in critiquing the existing aid scheme, the powerful voice of Helen Hughes has called for aid to the region to be linked to good governance and compliance with the wider aspirations of the aid donors. She has also argued for general reappraisal of other areas of common interests, capable of delivering significant benefits for the individual countries and the region at large; in particular, the use of a common currency by the adoption of the US, Australian or NZ dollar, as well as the abrogation of national sovereignty in favour of a ‘regional federation’. While not all her suggestions have met with universal approval, they are nevertheless worthy of consideration in the light of increasing instability and the lack of progress in the majority of PICs since their independence (except in countries linked to their metropolitan colonial powers, for example, Western Samoa or French Polynesia). Hughes rightly points to the Pacific as presenting serious regional concerns, in terms of mounting poverty, increasing population, cargo culture and a mentality of mendicancy; these contribute to aid-dependency, rampant corruption, political vigilantism and criminal activities. It is generally recognised that

123 Firth 2007.
124 Hughes 2003.
125 For criticisms of her analysis see Naidu 2003; Slater 2003.
126 Hughes 2003.
regional expectations can often contradict or encourage adherence to traditional barriers that confront modernity and rebuff other reformative processes. Hughes believes considerable savings can accrue to the Pacific micro states if they choose to take advantage of their existing synergies, whereas others are more guarded in their assessment.

Over the last thirty years, a number of regional trading arrangements have proved to be quite successful: NAFTA (North America), FTAA (the Americas), AFTA (Asean), SAFTA (South Asia), CER (Australia/New Zealand), and with the EU, in particular, go much further in adopting a more integrated regional cooperation. Generally, they accelerate economic, social and cultural integration through the promotion of regional peace and stability, by embracing the rule of law and adhering to the principles of the UN Charter. Regional cooperation represents an important model for enhancing trade and development through Regional Trade Agreements (RTAs), which are an integral part of the Multilateral Trading System (MTS). Between 1948 and 1994, under GATT there were 124 notifications of RTAs, but since the WTO was created in 1995 there have been 240 arrangements covering goods and services. Market fundamentalists argue that the commitment to principles of global free trade can provide encouragement for the respect of national interests, sovereignty, equality, non-interference in internal affairs of sovereign states, and the rejection of the use of force in favour of mediation. They all inspire effective co-operation and integration. Given the development constraints experienced by PICs and the hard reality of disadvantages which insist on their subservience to the regional powers, I see some merit in advocating an integrated regional development strategy among the PICs, without sacrificing their sovereignty, although I do not fully support the views of prominent critics. Notwithstanding some not insurmountable difficulties, it may be possible to undertake a review of several areas of co-operation among the Pacific island nations, to achieve considerable cost savings that can be utilised more productively elsewhere in nation-building efforts. Initial areas for exploration could be the:

- Creation of a single military force for the region, and the redeployment or integration of existing forces with the UN forces for peace-keeping and/or disaster management responsibilities only.

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127 ibid.
129 See <www.wto.org>.
130 Its urgency and broader benefits have already been realised. The Samoan Prime Minister Tuilaepa Malilelegaoi urged Fiji to 'get rid of the military', in view of the impasse between PIF and the military regime in Fiji (Fiji Times, 4 February 2009, <www.fijitimes.com.fj/print.aspx?id=113501>, viewed 9 February 2009). It was rejected by military spokesperson Major Neumi Leweni as being indicative of the Samoan PM’s allegiance to New Zealand, a country at loggerheads with the Bainimarama regime (Fiji Times, 6 February 2009, ibid, viewed 9 February 2009).
• Adoption of uniform labour, corporations and criminal laws.
• Adoption of uniform requirements for police, fire, postal, air or maritime services.
• Standardisation of bureaucracy.
• Uniform educational curricula, medical services and food standards.
• Adoption of uniform policies for national development.
• Collective representation at the UN and major international agencies. Clearly, this will diminish the collective strength currently enjoyed in the international fora. Unless the voting system is renegotiated for all states under the international system, it is unlikely that they would voluntarily agree to any diminution in their existing rights.
• Perhaps even a regional rugby team capable of matching the Wallabies or All Blacks.

Under a neoliberalised market economy, the new paradigms of governance and trading arrangements, linked to the unprecedented freedom of TNCs to operate in PICs, were supported by Western agencies promising mirages of wealth as a lure for the grassroots in the PICs to be part of the integrated trading system. Their liberation from economic and political subjugation from tried and tested Western ideologies, however, turns out to be nothing but internal colonisation or negative emancipation. The West wants nothing of value from them (the feared ‘other’) and the opaqueness of the inferred impossibilities of replicating their successes is embodied in the mysteries and convolutions of Western ideologies. Western countries have little incentive to change their methodology in managing bi-lateral relations that end up institutionalising global inequalities. After some five hundred years, the third wave conquest was achieved without bloodshed by the Third World PICs auto-colonising their masses to serve the interests of their former potentates. This time however it occurred through co-opting and titivating the egos of their leaders, without having to cultivate a new comprador class. The transition to a neoliberal unseen order in Fiji was achieved with remarkable ease.
Chapter 3

From a Pacific Paradise to Coup Coup Land: The Myth of Indo-Fijian Domination of Politics and the Myth of Threats to Indigenous Paramountcy

The focus of the previous chapter was to identify the evolution of a hegemonic paradigm, in terms of the imagination of the colonialists and the preservation of its morphologic characteristics in post-colonial society. It probed the enduring strategies to consolidate foreign power exercised through the empowerment of powerful TNCs, which not only compromised Fiji’s economic independence and right to self-determination but also created fault lines of potential epicentres of inter-ethnic conflicts. Furthermore, it suggested de-colonisation failed to deliver full autonomy or eliminate dependency on former metropolitan powers, which continue to undermine the country’s sovereignty and leave it vulnerable to exploitation. This chapter explores the positioning of the two dominant communities based on historical data and scrutinises the various explanations for the coups, to reject the proposition that Indo-Fijians either consciously or inadvertently set out to dominate the Fijian body politic or pose a threat to the paramountcy of indigenous Fijians. It interrogates the dominant rationalisation of the first three coups and identifies strategies to maintain the unseen order established by the ruling oligarchy representing the interests of the indigenous elites, regional powers, the Western corporate interests, and, to a lesser extent, the minority Indo-Fijian corporate class. It examines current literature on the coups, identifies the dominant strands in the debate thus far, and in the process deconstructs two powerful myths associated with the orthodox view of the political instability in Fiji. The following sections scrutinise the explanations contained in the dominant narrative of the first three coups, and explore the inconsistencies, contradictions and omissions which are presented as challenges to the conventional wisdom. In this way, it formulates more plausible alternative scenarios which may or may not have escaped the attention of leading commentators.

3.1. The Anatomy of the First Three Coups

The contemporary discourse on ethnic conflict in Fiji contains three consistent demands from the nationalists, some chiefs, and nominated or elected indigenous leaders, dating as far back as the mid-forties: indigenous Fijian political hegemony, recognition of the paramountcy of their interests, and an unimpeachable guarantee that they should have exclusive ownership of all
lands. It will be argued that the nationalists chose to ignore their existing entitlements under the 1970 Constitution, which already covered their rights to the last two, but it is not feasible for any one group to maintain indefinite hegemonic power in a democracy. No democratically-mediated constitution can, at least in theory, guarantee such a right to indigenous Fijians in a multi-ethnic society, as it is antithetical to the very concept of democracy. To realise indigenous ambition of political hegemony may necessitate some form of permanent totalitarianism. One of the by-products of their claim may entail the perpetual disenfranchisement of the Indo-Fijians and ‘Others’ to some lesser class of layered citizenship. Consequently, since 1987, there has been a massive exodus of mostly skilled and professional Indo-Fijians (including many indigenous Fijians and part-Europeans) to Australia, New Zealand, the US and Canada. Apart from their diminishing numerical strength, the Indo-Fijians have been rendered ineffectual in terms of the attrition of their intelligentsia, and the wealthy upper class capable of funding resistance against discrimination and organising progressive leadership. In a related development, the indigenous Fijians have invoked the international conventions on the rights of indigenous peoples to underscore their alleged marginalisation. Their cumulative demands seem to be at odds with concepts of ‘self-determination’, ‘disenfranchisement’ and ‘sovereignty’, when juxtaposed with all the entitlements to which they were the principal beneficiaries since independence. One of the authors of the 1997 Constitution, John F. Wilson, puts it more candidly:

In Fiji, because it is indigenous people who keep throwing over the elected government by force, the international community seems to bend over backwards to make excuses and find reasons to continue to deal with the supplacers. This must be the reason why the usurper Prime Minister Qarase was allowed to address the UN Declaration on the Rights of indigenous Peoples, although the indigenous Fijians own 83% of the land through landholding units, have complete equality of access to public offices, and have a Ministry and a Native Land Trust Board dedicated to their interests. These provisions have been entrenched in every Constitution since independence and even the People’s Coalition Government, with its large majority, could not have removed them without the approval of the Senators appointed by the Great Council of Chiefs.

In fact, the [Indo-Fijians] Indians did not then and do not now control the trade or the money to the extent supposed, but the perception was that they did which is what mattered then and matters now (emphasis added).

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1 Lal 2006, p. 204.
2 A constitutional lawyer provided under a British aid scheme in June 1997 to write a report for the Fijian government and the Commonwealth regarding compliance with the Harare Declaration. As part of the arrangement, Australia provided Denis O’Brien and New Zealand offered Sir Paul Reeves to chair the Constitutional Review Commission.
As a constitutional lawyer he understood that all the objectives of the 1987 and 2000 coups were attainable within the specific provisions of the 1970 and 1997 constitutions, neither of which weakened indigenous rights. In fact, they expressly opposed the ability of any government to jeopardise the inbuilt protections for indigenous Fijians. It was also clear that ‘the idea that Constitution or the entrenched laws could be changed without any [indigenous] Fijian party was simply wrong,’ and it reflected a ‘lack of trust in the [indigenous] Fijian coalition partners’ by the nationalists/Taukeists rather than in the FLP, whose policies were well known before the 1999 elections. Wilson appears to have a much clearer grasp of the more plausible factors contributing to the coups because of his legal training; the fact that he was one of three reviewers of 1990 Constitution would also have given him greater insights into the intricacies of the Fijian polity.

3.1.1. The First Rabuka Coup – 14 May 1987

On the 108th anniversary of the arrival of Indo-Fijians to the shores of Fiji aboard the Leonidas, a thirty-eight year old soldier in the RFMF, Lieutenant-Colonel Sitiveni Ligamamada Rabuka, accompanied by a ‘hit squad’ composed of ten soldiers who were led by an unidentified Captain X, executed the first military coup in the South Pacific. He overthrew the democratically-elected Bavadra government, which had enjoyed exactly one month and two days in office. Within a matter of a few minutes, the death of democracy occurred with unsettling ruthlessness and efficiency. For Fiji, it was atypically secretive, bloodless and swift, but its realization still left the nation and the international community stunned. From 10.00 am on Thursday 14 May 1987, a Pacific paradise was turned into an area of encroaching darkness. In an unjustifiable act of terrorism and willful sedition, Bavadra and his ministers were held hostage for six days before being released on the evening of 19 May 1987.

There were early signs of trouble when, in an act of defiance lacking the grace and dignity befitting aspiring leaders, the swearing-in of the new government was boycotted by 19 of the 24 Alliance Party MPs. In a significant portion of the literature examined on Fiji coups, the perception of racial conflict, latent or factual, features as one of the principal motives in the rationalisation of all the coups – except in relation to the fourth, which was carried out in December 2006. It finds impetus, at the very outset, in Rabuka’s press conferences. His earliest

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4 ibid.
5 Captain X was later identified as Isireli Dugu. His deputy was Captain Savenaca Draunidalo, the ex-husband of Adi Kuini Bavadra who later married Dr. Timoci Bavadra (V. Lal 1990, p. 220).
explanation of motive is one of perceived racial antagonism between Indo-Fijians and indigenous Fijians, aggravated by the behaviour of militant or racist elements within the Taukei Movement bent on causing violent unrest and destabilisation. Rabuka even attempts to justify his coup on the basis of the need to protect the Indo-Fijians, and expresses concern for their safety and welfare. Later, he expresses his wider concern about the loss of indigenous political hegemony through increased Indo-Fijian political power. To him and his co-conspirators, there was simply no room for the endorsement of a multi-racial, multi-party coalition, which justly brought about a change in government through the electoral processes, with inbuilt constitutional guarantees for indigenous rights. Under the 1970 constitution, any bill seeking amendment to indigenous Fijian interests would have required its passage in the Parliament as well as the Senate, with the support of no less than three-quarters of all members; amendment to indigenous land or customs would only have been possible with the approval of 6 out of 8 Senators (again with 75% support), who were the nominees of the GCC. The Senate really was a House of Protection of indigenous rights, as S.M. Koya (the NFP leader) had claimed. Academic Robert Norton then suggested:

They [the Indians] formed half the new Cabinet, and remained a minority in the House of Representatives, as they always would under the present Constitution. The seven Fijian members of the Coalition side held real power. They could block any attempt by Indians to challenge Fijian privileges – a very unlikely event, for Indians well know the force of Fijian unity on this matter. But even had the Coalition members stood together in such a challenge the Council of Chiefs delegates in the Senate could overrule them. There can be no question that the recent elections did not undermine Fijian political power. Where then is the justification for constitutional change to secure Fijian interests?6

Thus, it was immediately clear that there was no sound reason, based on the insufficiency of constitutional provisions protecting indigenous rights, for overthrowing the Bavadra government. The racial emphasis was however kept alive in all media sources. The voice of the rebellion, Rabuka’s volatility and erratic disposition came to the fore as he blamed Indo-Fijians for indigenous economic backwardness and the perceived threats to their paramountcy, with suggestions that they should all be converted to Christianity – as if to draw on divine intervention to resolve the monstrosity of inter-ethnic distrust engineered by the British. Rabuka justified his actions in terms of law and order, national interests, his bati obligations, loyalties and devotion of chiefs as a ‘humble servant of the [indigenous] Fijian cause’.7 He was anything

6 Island Business, July 1987, p. 49. References to Indians and Fijians in the citation should be read as relating to Indo-Fijians and indigenous Fijians respectively.

7 Lal 2006, p. 73.
but that, and he had no hesitation in countermanding the authority of his chiefs and undermining the Deuba Accord, executed by the FLP/NFP Coalition and Alliance Party to restore democratic rule.\(^8\) Rabuka’s motivations remain questionable but one of the earliest publications on Fiji coups reinforced all his explanations and reiterated his perception of threats to indigenous rights and native titles posed by the misperceived ‘Indian-dominated government’.\(^9\) If there was such a threat it existed in the imagination of the ruling elites, the unseen order and the nationalist forces, for there was (is) no objective evidence to support the claim that Indo-Fijians had entrenched political control. The Bavadra-led coalition government had more elected Indo-Fijian members, but as Table 3.1 shows the cabinet was not Indo-Fijian dominated but fairly representative of all major races.

<table>
<thead>
<tr>
<th>Electors by Race</th>
<th>Bavadra’s Elected FLP/NFP</th>
<th>Bavadra’s Cabinet FLP/NFP</th>
<th>Rabuka’s Taukei Government</th>
<th>Ganilau’s Council of Advisors</th>
<th>Chaudhry’s Coalition Cabinet</th>
<th>Qarase’s Cabinet** 2006</th>
<th>Bainimarama’s Cabinet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fijians</td>
<td>7</td>
<td>7</td>
<td>21*</td>
<td>13</td>
<td>10</td>
<td>24</td>
<td>8</td>
</tr>
<tr>
<td>Indians</td>
<td>19</td>
<td>7</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>28</td>
<td>16</td>
<td>24</td>
<td>17</td>
<td>17</td>
<td>36</td>
<td>12</td>
</tr>
</tbody>
</table>

\(^*\) Of these there were 17 members known to be Taukeists.

\(^{**}\) Qarase’s 2000 interim and second cabinets contained only one Indo-Fijian minister but 2 and 3 ‘Others’ respectively.


Despite their numerical superiority in Parliament, Indo-Fijians did not dominate the Upper House (Senate), and the 1970 Constitution provided other safeguards through the GCC nominee system in the Senate. The theme of racial tension between the two major races, and indigenous Fijian fear of dispossession through an Indo-Fijian dominated government, was robustly promoted by the majority of early observers.\(^10\) They mostly ignored or gave fleeting attention to Indo-Fijian fears; they had been subject to and accepted indigenous Fijian-dominated governments since the inaugural 1966 elections and the period following independence. The argument on the racial debate, however, overlooked the over-representation of Europeans or ‘Others’ in government – essentially a gerrymander aimed at ensuring indigenous Fijians retained political supremacy, as illustrated in Table 3.2. Furthermore, in terms of the expectations of the Taukei Movement and the nationalist forces, the idea of racial problems and threats to indigenous paramountcy were kept alive and constantly resurfaced in the media, which

\(^8\) ibid.

\(^9\) Dean & Ritova 1988.

\(^10\) For an example see Scarr 1988.
presented a picture of the loss of indigenous political supremacy and its implications for pro-business policies pursued by the Mara government.

### Table 3.2: Parliamentary Representation in Fiji since 1965

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Fijians</td>
<td>12</td>
<td>22</td>
<td>15</td>
<td>11</td>
<td>37</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Indians</td>
<td>12</td>
<td>22</td>
<td>3</td>
<td>2</td>
<td>27</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Rotumans[^11]</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Open Seats</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>52</td>
<td>24</td>
<td>16</td>
<td>70</td>
<td>71</td>
<td>71</td>
</tr>
</tbody>
</table>


A number of other commentators, whilst acknowledging race as a contributing factor, pointed to the need for some caution in accepting the validity of indigenous Fijian claims of dispossession or the realism of threats to their land, which were presented as reactions to erroneous assumptions about Indo-Fijian domination.[^12] The prominent Indo-Fijian historian, Prof. Brij Lal, whilst not dismissing external influences, saw the defeat of the Alliance Party – which had governed Fiji uninterruptedly for seventeen years since independence – as the main reason for the coup, calling into question the behaviour, ‘actions and motivations’ of some key individuals (Mara, Rabuka, and Ganilau) thought to have contributed to the coup.[^13] In a recent analysis Lal suggests Rabuka ‘remembers mentioning to the former prime minister the scenario he had in mind during a game of golf’.[^14] Rabuka does not directly implicate Ganilau but Lal argues that individuals and politicians belonging to the Alliance Party and the bureaucracy supported the coup out of fear of being exposed for corruption or abuse of power.[^15] One of the Coalition’s promises was to check the abuse of power, and it promised to introduce ‘an anti-corruption bill, a code of conduct for parliamentarians, and the abolition of legislation that allowed secrecy in government, especially the Official Secrets Act’.[^16] The Coalition government had attracted a group of highly educated and skilled individuals and included some of the best legal minds in the

[^11]: Natives of Rotuma Island now fully integrated into Fijian society. It was also ceded to Britain in 1879 but it has a distinct culture and history.
[^15]: ibid; see also Robertson & Tamanisau 1988 and Lawson 1991.
country. It had promised to ‘weed out’ and pursue with vigour individuals suspected of corrupt practices during the alleged excesses of the Alliance government.¹⁷

There are also two other equally dominant schools of thought providing a competing explanation for the coups. The first revolves around the perception of intra-indigenous conflict arising from challenges to traditional or hierarchical paradigms of governance and social interaction. The main argument centres on the intra-Fijian rivalry to preserve the paramountcy of the ‘eastern’ Polynesian Chiefs over the ‘western’ Melanesian Chiefs.¹⁸ This argument recognises the traditional East/West divide, which is compounded by the fact that the economic contribution to the national coffers from western provinces far exceeds those from the east. Also, perceptions of closer co-operation and better race relations exist in the west than in the east, as evidenced by the coalition between NFP (which had some indigenous Fijian support and at various times flirted with WUF and other indigenous splinter groups) and the new FLP (which enjoyed a strong support amongst the urban, educated, middle class indigenes). The coalition also had considerable support from the part-Europeans (Kailoma)¹⁹ and other minorities. Hence the chiefs were facing a threat to their dominance not only from their own constituency but also their traditional foes.

A number of influential regional observers accept this analysis.²⁰ Whilst they attach differing weight to the arguments, they all agree with the main thrust of the rationale. Among the more forceful commentators, however Robie argues that the first coup was triggered by chiefly concerns about loss of power and threats to their paramountcy, which motivated a chiefly conspiracy and sanctioning of the coup.²¹ He suggests that the prior sanctioning and tacit support from high chiefs like Mara and Ganilau would have been essential to secure the coup’s success. Indigenous Fijians are not a homogenous community, and one needs to recognise the opposing forces within its hierarchy which contribute to in-group conflict: for example, Polynesians and Melanesians, tribes or villages, landholding units, confederacies, chiefs, bati and commoners, Eastern and Western provinces, and/or urban and rural Fijians. Some observers however treated indigenous Fijians mostly as a homogenous group²² – even though tribal conflicts, inter-regional tensions and rivalries between chiefs have been noted since European contact - but in view of the

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¹⁷ ibid.
¹⁸ Durutalo 1986.
¹⁹ Category of Fiji citizens born out of inter-racial marriages, mostly between whites and Fijians or ‘Vasu i Taukei, the favored nephews and nieces of Fijians’ (Scarr 1984, p. 78).
²¹ Robie 1987.
Indo-Fijian presence, Melanesian ‘in group’ tensions were masked by the politics of race, which perpetuated a perceived threat from possible Indo-Fijians domination. In most local and foreign media analyses, the politics of race acquired prominence by its more overt expressions, whereas the intra-indigenous Fijian rivalries were shielded from public dissemination. Until the first coup, it was in part due to media attention on intra Indo-Fijian factionalism and in-fighting, fostered by competing interests for the benefit of the unseen order and the Alliance Party.

There are three recognised indigenous Fijian confederacies, largely forged on the strength of kinship loyalties, matrimonial relations entered into for strategic reasons, regional or military victories, and even geographical proximity, which created alliances, allegiances and other modes of interaction. First, Kubuna (centred on the island of Bau and originally represented by the powerful Cakobau family); second, Tovata (based on the alliance between Cakaudrove and Lau, and, more recently, strongly represented by the Ganilau and Mara families respectively); and the third, Burebasaga (in the Rewa region and until recently headed by their high chief, Adi Lady Mara, wife of Ratu Mara, but not as powerful as Bau and Lau in recent years). The west, north-west and central areas, despite cultural and some linguistic differences, were grouped together and incorporated into Kubuna and, to a lesser extent, into Burebasaga by the colonial administration. As a consequence, until the election of the Bavadra government, the western provinces and western chiefs were under-represented in the Fijian power politics. Periodically, in response to political uncertainties and discontent with the preponderance of eastern chiefs, westerners have called for the creation of a fourth confederacy, to be called Yasayasa Vaka Ra. After the first coup, pro-western sentiments intensified, as westerners generally perceive Tovata and Burebasaga (Ganilau/Mara clans) to be more Polynesian, and Kubuna (of the powerful Cakobau clan) to be authentically Melanesian and more intimately allied with the westerners. In addition, western Viti Levu is economically more powerful; it has the highest concentration of Indo-Fijian population and grows most of the sugar cane, hosts three of the four sugar mills, boasts a large number of tourist hotels, including the Nadi international airport, two major sea ports, timber industry (pine forests), mining (copper and gold) and some light industries. In the aftermath of the first two coups the nationalist forces displayed loyalties, based on their commitment to their chiefs that exposed the fault lines of intra-Fijian rivalry. From their public posturing after the third coup, it was clear that the western chiefs tacitly supported but publicly opposed Speight, proving their disdain for multiculturalism and lack of commitment to preserving democratic institutions, despite their flirtation with political accommodation with Indo-Fijians prior to the 1977 and 1982 elections. To the indigenous Fijians, regional affiliations

23 Lal 2006; Durutalo 1986; Sutherland 1992.
and tribal loyalties are deep-seated and sacrosanct demands that often override a modernist claim to the acceptance of the basic principles of democracy. In their cultural context, they reproduce a form of uniquely Melanesian ethnic solidarity that expresses a preference for in-group bias whilst providing insights into intra-indigenous competitiveness.

The second school of thought recognises the Marxian conception of class struggle between the working class (represented by NFP and later FLP Coalitions), and the upper class indigenous Fijian elites and the Chiefs allied with the Europeans and the Indo-Fijian corporate class (represented by the Alliance Party). In terms of Marxian explanation, Rabuka is treated merely as a ‘pawn’ of the ruling elites or the indigenous aristocracy. During the 1987 election campaign, the coalition had displayed dangerous loyalties to socialist ideology and its political rhetoric excoriated class distinctions, emphasising the alienation experienced by the deprived working class of all races; this was perceived to be the result of Mara government policies that misallocated aid funding for development projects undertaken within preferred constituencies of eastern provinces. The Coalition campaigned hard, and brought to the forefront the general unhappiness of the working class which respect to government handling of industrial relations that seemed to be overly-sympathetic to the interests of foreign TNCs. It has to be noted, however, that some observers believed it was misleading to classify the FLP as a party of the working class, for it was perceived as an urbanite middle-class party to be regarded as a front for the Indo-Fijian dominated NFP. Moreover, the neo-Marxian analysis essentialises inter-ethnic grievances as a function of injustice deriving from perceptions of irregularities in the allocation of resources, especially since the mid-1970s. Accordingly, ethnicity remains a dominant theme, mobilised to mask the identification of the class interests of a multi-ethnic ruling class in conjunction with the unseen order (indigenous Fijian elites and chiefs, the interests of Europeans and TNCs, and Indo-Fijian business elites). In the context of Fijian politics, the forging of class allegiance between Indo-Fijian and indigenous Fijian working classes was precluded by the ethnicisation of politics. Like the specific priorities of the WUF/NFP coalition in 1982, the emergence of the NFP/FLP coalition had a well-developed and precise political strategy aimed at reinforcing class distinctions and aspirations, with a subsidiary aim of overriding or dismantling institutionalised ethnic barricades. The main drawback of this strategy was to

25 ibid.
27 For example, Scarr 1988.
29 Durutalo 1986.
30 Sutherland 1992.
miscalculate the resilience of dominant eastern chiefs, reluctant to relinquish continuing hegemony in favour of a commoner or countenance perceived threats to their paramountcy.\textsuperscript{31} A group of prominent, high-ranking maritime chiefs (George Cakobau, Edward Cakobau, Mara, Ganilau, David Tonganivalu) represented an ‘eastern chiefly oligarchy’\textsuperscript{32} comfortable in the notions of their divine appointment, unaccustomed to being politically vanquished, with the accompanying loss of generous financial rewards and prestige of high offices.\textsuperscript{33} Under the ideology of Ratuism\textsuperscript{34} the chiefs are divinely ordained to govern, and the appointment of a commoner to the highest office in the land did not seem like a natural condition, and would have been seen by the grassroots and indigenous political opportunists as an insult to their chiefs. Bavadra was a medical doctor who had held senior positions in the civil service before retiring to lead the FLP. He came from a chiefly background but was not a paramount chief; he was however married to a high chief of Navosa, Adi Kuini Bavadra.\textsuperscript{35} Besides, Bavadra was closely identified with the westerners and perceived by the powerful indigenous Fijian establishment as an ‘upstart’ who did not know his place, with suggestions of his own chief claiming he was embarrassed by Bavadra’s victory.\textsuperscript{36}

Therefore the underlying causes were far more complex and went well beyond a case of indigenous Fijians unable to countenance a government wrongly perceived as Indo-Fijian-dominated. Whilst attention was also drawn to all other possible causes of the coup, some crucial contributory factors escaped closer scrutiny: for example, the linkages with matters which were highlighted by the National Times and the ABC Four Corners program, in relation to the 1982 elections. In addition, most media analyses failed to probe the proposed anti-corruption measures announced by the Bavadra government. The global media did not give adequate attention to the Bavadra government’s intention to investigate the provision of external funds by American Embassy to Apisai Tora, then-leader of the Taukei Movement which expressly set about destabilising the newly-elected government. An ‘unnamed source’ close to the Mara government, quoted by the ABC Four Corners program, also alleged that former ministers had not repaid large sums borrowed from the FDB and NBF, which were intended to be written off. In one case alone, ‘$4 million in public funds was written off.’\textsuperscript{37} These highly significant issues were not thoroughly investigated or pursued to logical conclusions. They would have been

\textsuperscript{31} Lal 2006; Howard 1991; Lawson 1996.
\textsuperscript{32} Howard 1991.
\textsuperscript{33} Lal 2006.
\textsuperscript{34} Doctrine that sanctions Chiefs’ divine appointment as natural rulers entitled to subservience and unquestioned obedience by the indigenous Fijians (see Durutalo 1986).
\textsuperscript{35} Lal 2006, pp. 60 &183.
\textsuperscript{36} ibid.
\textsuperscript{37} Sydney Morning Herald, 19 May 1987, p. 11.
strong motivations for some very powerful individuals, politicians, and especially corporate interests to support the overthrow of a government, likely to cause them great distress if it managed to successfully implement its mandate to govern and remained in power for any length of time.

3.1.2. The Second Rabuka Coup – 25 September 1987

The second coup,\(^\text{38}\) carried out at 4.00 pm on Friday 25 September 1987, was justified on the basis of the indeterminate findings of the Report by the Constitution Review Committee. Chaired by John Falvey, it had been appointed to investigate the deficiencies deemed to be inherent in the 1970 Constitution, which had ostensibly failed to satisfy indigenous expectations after independence. After recognising the economic impact of the coup, especially when the farmers threatened to boycott the cane harvest, the Governor-General Ratu Penaia Ganilau dissolved the parliament, granted amnesty to Rabuka (after promoting him to Commander of RFMF), and attempted to mediate in the crisis by holding meetings with the Alliance Party and the Coalition. To avoid looming economic chaos and the possibility of inter-ethnic violence, Bavadra also agreed to assist in the ‘national reconciliation’ efforts. He was however not satisfied with the mediation efforts and opted to challenge Ratu Ganilau’s decisions in court. This gave the Taukei Movement ammunition to attack the Coalition for endangering indigenous rights, tradition, and paramountcy in view of the legal proceedings instigated against a high chief.

After successfully negotiating an agreement, described as the Deuba Accord, Ganilau had managed to establish a broad framework for a government of national unity to restore civilian rule. Surprisingly, Rabuka was excluded from the negotiations, and the nationalists in the Taukei Movement called it a betrayal of the coup objectives, threatening violence if necessary to secure their demands. Rabuka then became convinced the Governor-General’s proposals violated his original objectives and, accordingly, deposed the Governor-General, imposed martial law and suspended the 1970 Constitution. In response to sanctions, he declared Fiji a republic on 7 October 1987, after appointing himself as the Head of State. Two days later, he then moved to set up an interim military administration.\(^\text{39}\) It remained in power for about two months and witnessed a ‘wanton disregard for human rights and rampant racial extremism’, the near-collapse of the economy, and the abject failure of governance.\(^\text{40}\) Rabuka was then persuaded to hand

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\(^{38}\) Some observers do not believe there was a second coup choosing to call it a ‘reassertion of control’ or ‘second intervention’. Roderic Alley (2001, p. 218) thinks it was effectively a ‘self-coup’ or its Latinised term ‘auto-golpe’.

\(^{39}\) Lal 2006, p. 75.

\(^{40}\) ibid.
power to the chiefs, thereby ensuring the return of Ganilau as the President on 5 December 1987; he then appointed Mara as the interim Prime Minister on 9 December 1987.\footnote{ibid; V. Lal 1990, p. 210.} In 1989, a second attempt was made to review the 1970 Constitution. A Committee chaired by Paul Manueli, a former Commander of the RFMF, agreed to all the expectations of the chiefs, accepted most of the militant demands of the Taukei Movement, and agreed to protect the corporate interests of the RFMF, adequately represented by Rabuka. The Manueli Committee set aside the submissions from the Coalition and the Indo-Fijian representatives and, therefore, ended up with only the recommendations for the implementation of a racially-biased 1990 Constitution.

The pressure from nationalists/Taukeists to realise the objectives of the coup, and the reaction of the Manueli Committee to non-indigenous submissions, turned the 1990 Constitution into an inequitable and discriminatory document that was generally renounced by the international community.\footnote{Lal 2006, p. 155; see Robertson 1998; Lal 1998.} It demanded a full restoration of democratic processes in the country. Most of the demands laid out by the nationalists and the militant Taukei Movement were met by Rabuka and incorporated into the 1990 Constitution. Its immediate juridical significance lay in the ability of parliament to enact laws to advance indigenous interests politically, socially and economically, as well as in providing a legal framework for instituting affirmative action programs. The collective indigenous Fijian grievances, however unjustified or lacking sanction, were reflected in their ethnonationalist mobilisation and politically-motivated violence, threatened pre-coup and perpetrated post-coup by elements within the Taukei Movement.

The 1990 Constitution declared to the world at large that while it was easy to blame the British for being racist and laying the foundations for a racially-segregated society, neo-racism reared its ugly head and found acceptance among the Fijian masses and, disturbingly, in some chiefs. There was majority for the coups,\footnote{Lal 2006, p. 74.} and many indigenous Fijians (the ‘happiest people on earth’) had proven themselves to be at ease with overt racism and prepared to pioneer their own version of apartheid; the latter were justified on the basis of their Christian beliefs and fully supported by Christian fundamentalists, as had been the case in apartheid South Africa. Rabuka’s popularity soared and he enjoyed electoral success in the following two elections on the strength of the 1990 racist Constitution. His administration was characterised as repressive and unsympathetic to Indo-Fijian aspirations, with policies designed to intimidate opponents. For the first time Fiji saw a clamp-down on media, arbitrary arrests, the jailing of judiciary officials, rounding-up of
prominent academics engaged in activities regarded as subversive, and beating of dissidents detained without proper regard to habeas corpus, the cornerstone of personal liberty under the country’s legal system. There was a serious breakdown of law and order and human rights abuses were commonplace.\textsuperscript{44} In the light of these developments and the economic meltdown, the external pressure applied by the international community forced Rabuka to appoint the Constitution Review Commission on 15 March 1995, chaired by Sir Paul Reeves. It held hearings around the country and its final report, the Reeves Report, was tabled in parliament on 10 September 1996. A Joint Select Committee then handled negotiations resulting in the promulgation of the 1997 Constitution, which was approved by both houses of parliament and the GCC. Although the 1997 Constitution is considered to be the most democratic and fairly representative of ethnic interests, subsequent events proved it clearly failed to satisfy all indigenous Fijians.

The Rabuka government was by then badly tarnished by a series of scandals and allegations of corruption, which signalled to the electorate a sense of disharmony and internal rebellion within its ranks and its inability to govern in the best interest of the nation.\textsuperscript{45} However, nothing matched the arrogance of power displayed by the Rabuka government and the magnitude of its contempt for the rule of law, when it attempted to blatantly circumvent the law and approval protocols by ministers of crown and public service officials, in a manufactured out-of-court settlement with a local part-European businessman, Anthony Stephens. In view of its significance and its bizarre circumstances, the case is summarised here, for it signifies the ongoing dislocation of institutions of the state as a result of the ossification of a coup culture.\textsuperscript{46}

Stephens was known to have had ‘brushes with the law’ in the past, but he was retained as an adviser by the militant nationalists. He was arrested in 1988 and held in custody for 42 days on charges of unlawfully importing pen pistols. Upon his release he instituted legal proceedings against the government and sought F$30 million in damages. In an out-of-court settlement, the terms of which highlighted extreme legal ineptitude with the possible intention to defraud the taxpayers, Stephens agreed to accept F$10 million in full and final settlement, but the terms of the disbursement of funds were quite peculiar: the government agreed to an upfront cash payment of F$980,000 with the balance to be applied to:

\textsuperscript{44} ibid, p. 75.
\textsuperscript{45} ibid, p. 108.
• Pay out two of his personal mortgages; one with a non-bank lender called the Home Finance Company and the other with the National Bank of Fiji,
• Settle any claims with ANZ Bank, arising from a bank guarantee provided to Economic Enterprises Limited, a company owned by Stephens,
• Withdraw pending bankruptcy proceedings against him,
• Arrange the transfer of Soqulu Plantation on the island of Taveuni to Stephens, by obtaining a release of mortgage held by the National Bank of Fiji and settling all claims in relation to three land titles held by his family, and
• Declare the settlement entirely tax free; that is, exempt from income tax, land sales tax and value added tax (VAT).

Without regard to suggestions of kickback, Stephens and his associates declared they would use the proceeds from the settlement to arrange a loan of F$200 million from Kuwait to improve indigenous Fijian participation in businesses. In a move that defies all reason, the Attorney General then approved the deed of settlement, indicating Stephen’s connection to the nucleus of power. Before it could be fully executed, however, its terms were leaked to the press and the matter was taken up in Parliament by the NFP leader, Jai Ram Reddy. The public outcry and relentless press coverage forced the resignation of the Attorney General, Aptaia Seru, and Rabuka agreed to appoint a retired Supreme Court judge, Sir Ronald Kermode, to inquire into the allegations.

Kermode’s report of July 199347 was highly critical of all the parties. Stephens was excoriated for being ‘dishonest in seeking to obtain money from the National Bank of Fiji in an illegal manner and in so doing, the evidence prima facie appears to disclose that he may have committed more than one criminal offence.’ Etuate Tavai, a nationalist operative within the prime minister’s office, was reduced to not being ‘a truthful witness’ who had ‘deliberately misled parliament.’ The Attorney General was criticised as a weak man, who had lied, been grossly negligent, and was not suited to hold the high office of Attorney General. Most seriously, Rabuka was found to have interfered with legal process by ignoring legal advice and selectively adopting information in support of Stephens’s legal claims that he ought to have known were unjustifiable. In addition, he was accused of deceiving the parliament and conspiring with Stephens to ‘obtain an overdraft from the National Bank of Fiji by false pretenses or by fraud’; the report further suggested that the prime minister’s actions were not only ‘irregular and

47 For details see Parliamentary Paper 45/1993.
improper’ in several aspects, but also his actions with regard to ‘events leading up to the execution of the Deed were not only improper but prima facie illegal.’

This episode, dubbed the Stephens Affair, not only epitomises the extent of the abuse of power and corruption during Rabuka’s incumbency, but also serves as an indictment of the politics of hate and envy that enables a racially-divided electorate to remain indifferent to its leader’s indiscretions. Rabuka denied the charges directed at him in the report, declared he was innocent and refused to act on the findings, claiming Justice Kermode had exceeded the terms of his reference. In order to avert a threatened backbench revolt, he later agreed to a judicial review of the findings but it was not followed to conclusion. The Methodist Church and the Taukei Movement came out in support of Rabuka. Despite clear evidence of illegalities and breach of Westminster conventions, the Stephens Affair failed to oust him until his opponents subsequently joined forces and refused to support the SVT government to pass its budget. President Mara then prorogued the Parliament and called for fresh elections, which were held in February 1994. Rabuka won the next election in the face of the scandals, the indigenous factionalism and intra-Fijian rivalries. It took another five years before an opportunity arose to challenge him under the new 1997 Constitution, when to everyone’s surprise the FLP coalition led by Mahendra Chaudhry won the 1999 elections, setting the scene for the third coup exactly a year later.

3.1.3. The Speight Coup – 19 May 2000

On the anniversary of the Chaudhry government’s first year in office, at around 10.00 in the morning, George Speight and seven armed men stormed the parliament and held the government hostage because ‘indigenous Fijians felt threatened by the (real or perceived) influence of Indo-Fijians represented by Prime Minister Mahendra Chaudhry’. They were led by SAS veteran Major Ilisoni Ligairi, and members of the Counter Revolutionary Unit created by Rabuka in the wake of his coup in 1987. By 1.20 pm, Speight announced he had revoked the powers of the President, abrogated the 1997 Constitution, and was asserting control and executive authority in Fiji. The nationalists allied with Speight claimed that the ‘accumulated indigenous Fijian expectations raised by 1987 coups’ remained unresolved and, accordingly, Speight and a band of

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48 After his defeat, Rabuka resigned from parliament and became the Chairman of GCC (even though he is a commoner). He was also appointed ‘Commonwealth Secretary General’s peace envoy’ to mediate in the political crisis in the Solomons (see Lal 2006, p. 157).
49 de Vries 2002.
dissident soldiers, a group of militant nationalists, some chiefs and shadowy businessmen were committed to finishing the task. With a mixture of eccentricity, arrogance and an astonishing display of how easy it is to depose democratically-elected governments in Fiji, a mouthpiece for assorted extremists, vigilantes, nationalists/Taukeists and disaffected local and foreign commercial interests, held centre-stage and the entire cabinet hostage for 56 days. Speight was an afterthought in the planning of the coup, a non-indigenous Fijian of mixed parentage selected for his communication skills, ‘a part-Fijian failed businessman, due to be arraigned in court on a bankruptcy charge,’ far from the prominent businessman with a high profile his admirers claimed he was.

Among the early explanations for the third coup, ethnicity remained part of Speight’s rhetoric to mobilise indigenous unity. Moreover, the deployment of kinship, identity and indigeneity were clearly mis/used, and even abused, to justify a litany of special privileges for the indigenous Fijians to hold on to political power. For the international media, an exploration of racial politics provided exciting fodder for the headlines. Without thorough examination of all the facts and with few exceptions, they agreed with the misperception that the 1997 Constitution had diluted indigenous Fijian interests. The key explanations for the putsch repeated the pattern of earlier coups; after initially blaming Indo-Fijians for threatening indigenous paramountcy, commentators on the coup came to view it as an internal struggle against the indigenous elites. In particular, the indigenous leadership (politicians/the Chiefs/GCC) was exposed for being ‘corrupt, incompetent and unable to discharge customary responsibilities to ordinary Fijians,’ in a globalised market economy operating under democratic institutions with proper regard to the independence of judiciary and the rule of law. The coup-plotters also re-emphasised the old misconceptions about land issues and pointed to public discontent with Chaudhry’s antagonistic leadership style. There were musings on Chaudhry’s political naiveté as a contributing factor,

52 Lal 2006, p. 185.
53 It was strictly not a civilian putsch or an insurgency (Davies 2004, p. 13) but a military coup, as the uprising had full support from the army’s Counter Revolutionary Warfare Unit, established by Rabuka in 1987. It was led by Major Ilisoni Ligari, supported by some members of Fiji’s Police Force and security intelligence officers, including Col. Metuisela Mua, the former head of intelligence dismissed by Chaudhry. The military’s role was ambiguous, as elements within the RFMF provided guns to the rebels and appeared sympathetic to the overthrow of the Chaudhry government. The military, after securing a high court decision to remove amnesty, clamped down on the rebels, due to disturbances and their failure to return weapons under the Maunikau Accord. In November 2000, in a mutiny at Queen Elizabeth Barracks, an attempt was made on Commodore Bainimarama’s life, suggesting that the army was not united and had sympathisers within its ranks for the cause pursued by Speight and his cohort. Lieutenant-Colonel Viliame Seruvakula then led the 3rd Infantry Regiment to successfully suppress the mutiny, and rounded up the soldiers implicated in the coup and the mutiny for subsequent trial and prosecution.
54 Robie 2000a.
55 Alley 2001, p. 221.
despite his good intentions and commitment to execute his mandate. His government had ignored warnings of unrest from the Commissioner of Police and, at the time of the coup (in an uncanny parallel with the circumstances preceding the first coup), the Commander of the RFMF was on an official visit to Norway, the Commissioner of Police was on holidays, and the President was in his home province of Lau celebrating his 80th birthday.

Speight’s putsch was interpreted as a re-affirmation of Rabuka’s initial attempt to restore ‘indigenous Fijian paramountcy,’ because of the perception that the 1997 Constitution had betrayed the objectives of Rabuka’s coups. From Speight’s perspective, the putsch had to be manipulated so that it was about the protection of indigenous rights. His supporters were also concerned about Chaudhry’s rollback of the privatisation policy, which had enriched many indigenous Fijians and was actively pursued under prior Rabuka administrations. However, the so-called threats to indigenous interests were not completely explained beyond Speight’s persuasive rhetoric, simplistic prescriptions and denunciation of Indo-Fijians through the media, which had instantaneously attracted a cult following. It soon became clear that the coup did not have full endorsement from the indigenous establishment. More insightful observations came from Teresia Teaiwa (formerly a USP lecturer in politics) who claimed:

_Fiji’s problem is Fijian. Following [the] fortunes and misfortunes of the country’s three indigenous Prime Ministers... we see [an] increasingly problematic configuration of indigenous leadership in the country._

Her familiarity with indigenous Fijian culture and background adds gravitas to her assessment, which stands out as more judicious in terms of her internalisation of indigenous grievances. It lends further weight in favour of the principal argument that race is just one, but not the only, dimension to the complex nature of conflict in Fiji. Over-playing of the race card can be misleading and mischievous, because there are other underlying issues which are intra-Fijian, and Chaudhry and Indo-Fijians by themselves do not represent the totality of the problem. Despite the complexity of the many interrelated issues already identified, most overseas journalists, with alarming ignorance of local circumstances and lack of objectivity, continued to interpret the conflict as largely racially-driven, just as they had concluded after the 1987 coups. But there were some exceptions among the analysts who argued it was not predicated on racial

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56 ibid.
58 Robie 2000a.
59 Teaiwa 2000.
60 ibid.
factors alone, and realistically challenged the monomania of racial analysis presented ad nauseam in the media.\textsuperscript{61} Teaiwa is among a small minority of commentators who searched for deeper underlying causes and identified the economic dimension to the perceived conflict: \textsuperscript{62}

During his [Rabuka’s] Prime Ministership, a brash nouveau-riche elite of “indigenous” Fijians developed and thrived. Mr. Speight is a good representative of this group, but an even better example is his mentor and benefactor Mr. Jim Ah Koy; both illustrate a new opportunism in regard to identity politics in Fiji.

And she continued:

…The impoverishment and disaffection of indigenous Fijians is not a result of 12 months of leadership by an Indo-Fijian. It is the result of thirty fraught years of modern indigenous Fijian leadership that have sacrificed the economic and cultural well-being of a people for the advancement of a few.

…Mr. Speight’s ignominious entry into the national and international limelight is but a symptom of the complex contradictions and competing interests facing indigenous Fijian society today.\textsuperscript{63}

In an implied challenge to Speight’s rhetoric, she excoriates its emphasis on ethno-politics and makes the key point: that indigenous Fijians were led by their chiefs and the country was governed by the Alliance Party since independence. Clearly, if there was accumulated anger at their economic backwardness or social deprivation, then indigenous Fijians were in no position to blame Indo-Fijians. Historically, politics in Fiji had been dominated by the white minority and the chiefs, and even before the two earlier coups, the Fijian chiefs had full and effective control over every aspect of indigenous Fijian life. They could hardly blame ‘others’ for not righting the wrongs of the past as they affected the lives of their people. Their task was to assume responsibility for not solving the Fijian question, rather than blaming the Indo-Fijians for their own failures. Similarly, in a separate analysis prominent historian Lal has argued:

This crisis, everyone now knows, was more about the restructuring of power in indigenous Fijian society than it was about race. It was also in some sense about a cry of those Fijians marginalised by modernisation and globalisation, feeling left by the wayside while others marched on for reasons they cannot understand. Speight’s mesmeric rhetoric and simple solutions touched a chord with them. Get rid of Indians and revert to Fijian tradition, and the world will be well. It is not as simple as that, and Speight and his advisors know that, but they manipulated innocent and confused Fijian emotions for their own ends…Indo-Fijians are the meat in the sandwich.\textsuperscript{64}

\textsuperscript{61} Lal 2006; Teaiwa 2000; Robie 2000a.
\textsuperscript{62} Teaiwa 2000.
\textsuperscript{63} ibid.
\textsuperscript{64} Lal 2000b, p. 2. References to Indians and Fijians should be read as Indo-Fijians and indigenous Fijians respectively.
For many observers, however, the third coup was largely about securing amendments to the 1997 Constitution to ‘entrench [indigenous] Fijian political supremacy’. Lal argues Chaudhry government had failed to recognise the limitations of its mandate and the implications of the extensions of political power beyond the Fijian parliament, vested in NLTB, GCC and the Armed Forces, each of which claimed its own ‘mandate’. He considers the 1987 coups as focused on enhancing indigenous Fijian power and unity, carried out on behalf of the Fijian Establishment/Methodist Church/GCC and blessed by them, whereas the 2000 coup was against the Fijian establishment and didn’t have its blessing. Consequently, it brought about ‘Fijian political fragmentation on an unprecedented scale’ and ‘altered the fundamental dynamics of Fiji and indigenous Fijian politics.’ This manifested in intra-indigenous Fijian rivalries and the periodically regurgitated demand for the creation of a fourth confederacy in the west, to be called Yasayasa Vaka Ra. In a mirror image of the aftermath of prior upheavals, western indigenous Fijians threatened the secession of western Viti Levu, which was followed by a ‘declaration of partial autonomy by the province of Cakaudrove proposing to set up a separate Tovata state.’ These were not however pursued with any conviction.

The third coup brought to the surface the latent problems between different indigenous groups, which were more intra-communal as opposed to inter-communal conflicts. Indigenous Fijians are not a homogenous group, and their solidarity was a product of the fear of Indo-Fijian domination expertly manipulated and navigated by the chiefs over the years. Contrary to popular perception, the Chaudhry government was indigenous Fijian-dominated, and the fact that it lasted for a year was surprising to many. In May 2006, Commodore Bainimarama confirmed to an Australian reporter Graham Davis that the nationalists’ leader, Sakiasi Butadroka, had asked him the day after the swearing-in of the Chaudhry government to remove them from office, but that he had refused to act. For the nationalists, who had become more outspoken since the mid-1970s, there was no negotiation on all their earlier and well-publicised pronouncements. The perceived loss of political power and diminished control over economic resources would have been beyond their tolerance. For them they represented equally dominant motives for supporting the coup directly. As a key figure, Mara disappointed many by his erratic and contradictory style of leadership, as he immediately accepted a position in the interim government and supported extremist views on indigenous paramountcy. Just as he had done after the first coup, he did not condemn Speight’s coup, interpreted as providing tacit support to the GCC’s call for a

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66 ibid, p. 185.
67 ibid, p. 188.
68 Channel 9 Sunday program, 7 May 2006.
predominantly indigenous Fijian parliament. Mara’s views stunned UN Special Envoy Sergio Vieira de Mellor and Commonwealth Secretary General Don McKinnon, and he came under heavy criticism for legitimising the ousting of a democratically-elected government. He emerged as a shrewd politician, with no hesitation in endorsing the extremist views of the militant nationalists when his own survival was at stake. After the first coup, his views on indigenous demands for political hegemony and paramountcy had undergone considerable transformation. The international conventions on the rights of indigenous peoples do not create special or superior rights for indigenous peoples to the exclusion of other communities, especially in a multi-ethnic society like Fiji. There is no legal basis on which indigenous paramountcy can be elevated to a right. The nationalists viewed Mara as an autocratic leader who had for many years dominated Fijian politics, exercised undue influence over the GCC, his own cabinet and even the vanua. This time however he was openly challenged and humiliated by the nationalists, who forced him to resign on 29 June 2000 and escorted him under armed guard to retire to his village in Lau. At 6.00 pm on the same day, Commodore Bainimarama assumed executive authority and imposed martial law, effectively carrying out what some commentators have described as a counter-coup (Appendix A).

By May 2006, additional information emerged in the public domain when a co-conspirator, after serving a three-year jail term for his involvement in the coup, at considerable risk to his life, divulged sensitive details of how the nationalists/Taukeists were not prepared to countenance Indo-Fijians in government. Exactly a year after Chaudhry came to power, on the day of the coup, key figures met at the home of the new Nationalist leader, Iliesa Duvucolo, to plan the execution of another coup. It had the support of some prominent local indigenous businessmen, politicians and prominent eastern chiefs (who were not mentioned in the Channel Nine program but were later identified and brought to justice). The man selected to lead the coup was former Captain Savenaca Draunidalo, who had a change of heart after the mob starting looting and damaging property in Suva. Speight, who was privy to the planning, stepped in at the eleventh hour. He was personally motivated due to his sacking as Chairman of Fiji Pine Limited by Chaudhry’s Agriculture Minister, Poseci Bune, and wished to reclaim his leading role in the

70 Lal 2006, p. 204.
71 Fiji Sun, 10 June 2000, p. 2.
72 Channel 9 Sunday program, 7 May 2006. Maciu Navakasausa, who sought asylum in Australia due to death threats, was a convicted bomber and a hostage-taker, but his information appears credible even though one of his motives could have been to seek Australian government favour to be able to stay in the country.
73 He is the ex-husband of Adi Kuini Bavdra, who later married deposed Prime Minister Dr. Timoci Bavdra. He was also second-in-charge of the ‘hit squad’ of 10 soldiers under Captain Isireli Dugu, who executed Rabuka’s first coup (see V. Lal 1990, p. 220).
timber industry. By identifying with dispossessed indigenous Fijians, especially from the Kubuna confederacy which had sought control of Fiji’s timber industry since the 1980s, and articulating their views, he gained power, privilege and high profile. He was an undischarged bankrupt and a fugitive from justice who had legal proceedings pending against him, before he decided to become a self-appointed saviour of the indigenous Fijians. He needed to restore his tarnished reputation, and in Fiji resorting to violence was a proven method of achieving it. He knew all the 1987 coup-conspirators had managed to evade punishment for their crimes. Speight’s hatred of Chaudhry and Indo-Fijians became palpable as he addressed the international media. His flawed analysis of the situation in Fiji convinced many he needed to regain control of the mahogany timber plantations, with an estimated value of over F$300 million.\(^74\) His connection with potential American investors in Fiji’s timber resources was revealed in a New York Times article which suggested that, shortly before his intervention, he was retained by Timber Resources Management to negotiate a tender for harvesting the maturing mahogany forests in Fiji.

In an alternative scenario, it has been argued that the electoral system guaranteed a majority to Chaudhry on a seat-by-seat basis, but that the overall results were quite disproportionate.\(^75\) This created the impression of a largely weak opposition or under-representation of indigenous Fijians, which he believes contributed to indigenous fears and led to Speight’s seizure of power and the removal of the Chaudhry government. John Davis considers the 1997 Constitution to be ‘fundamentally flawed’ and further argues that the Reeves Report did not fully ‘identify and address the root cause of Fiji’s constitutional problems.’\(^76\) He has provided an in-depth analysis of why the majority of indigenous Fijians feel disenchanted with the 1997 Constitution, wrongly premised on the assumption that its passage did not have the support of the majority of indigenous Fijians or their ultimate representative, the GCC. The changes to the constitution were subjected to a thorough consultative process and had attracted full support from the GCC.

A small sample of views expressed by ordinary citizens reveals the mindset which the media coverage of the events in Fiji consistently failed to determine. It would be easy to dismiss the observations of an ordinary indigenous Fijian woman as those of someone sympathetic to the FLP position, but they provide a thoughtful perspective. She represents the views of educated, urban Fijians who understood the political system and the motivations of disaffected individuals,

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\(^75\) Fraenkel 2000.
\(^76\) Davies 2000.
and who were not easily convinced of Indo-Fijian threats. The following excerpt suggests that indigenous Fijians were not only fully capable of understanding their own communal politics but were not persuaded by nationalistic rhetoric alone:

Let’s just say that race is being used very well by politicians and failed businessmen to further their own personal interests. In the case of Speight for example, his real agenda was to control the mahogany export trade that is reported to be worth US$300 million [sic]. They play on the fear that [Indo-Fijians] Indians will come and take over the whole of Fiji and the indigenous people would be reduced to second class citizens in their own country. The protest marches were organized with support from the SVT party, Methodist Church, failed politicians and failed businessmen… [There are] elements of the masses that are so easily led astray by simplistic notions of ethnic supremacy.\(^77\)

There can be little doubt that ordinary citizens were capable of understanding the constitutional protection for the indigenous Fijians. The constitution had not been translated into Fijian language, but the grassroots were not politically unsophisticated and appeared to understand issues of ethnic conflict masked by other agenda:

The May 19th Coup (and also the 1987 coups) were never about indigenous aspirations or the indigenous cause. In fact, [indigenous] Fijians always had control over their land and their other resources and this was enshrined in the 1997 Constitution. The question then to ask is – whose interests were being stripped away by a progressive 1997 constitution and other accountable and transparency mechanisms that were being initiated and implemented?\(^78\)

Speight was a failed businessman and a fugitive from justice but he had support from local as well as foreign corporate interests. He typified ambitious indigenous Fijian businessmen who felt their interests were threatened by the inclusion of Indo-Fijians in government or by the more egalitarian policies of the Chaudhry-led government. Of course, Speight also had a personal score to settle with Chaudhry, who had jeopardised his long-term plans for the overall control of Fiji’s timber industry, linked with US corporate interests and those of the Kubuna confederacy.

Accordingly, there can be little doubt that some ethnic tension between indigenous Fijians and Indo-Fijians was a contributing factor; however, there were deeper underlying issues behind the ‘presumed’ inter-ethnic conflict. They represented a far more complex intra-communal power struggle amongst the indigenous Fijian groups, comprising indigenous corporate interests, greedy ruling elites, and the competing global interests of the TNCs committed to a proliferation

\(^{77}\) Cabrera-Balleza 2000, pp. 3 & 6.
\(^{78}\) ibid.
of economic policies based on the uncritical adoption of neoliberal capitalist initiatives. Collectively, these factors brought about a sense of hopelessness among indigenous grassroots, acutely conscious of their growing poverty and the inequality between the haves and the have-nots. However, they did not have a full appreciation that most Indo-Fijians were in the same position. In fact, the poorest in Fiji are Indo-Fijians rather than indigenous Fijians. The centrepiece of the analysis as an ethnic conflict in the media titillated the imagination of outsiders, predisposed to the misconstrued notion of threatened indigenous Fijians struggling for supremacy in their own country.

3.2. The Unseen Order and Political Activism of Foreign TNCs

In relation to the first coup, the likelihood of foreign transnational corporations as instigators of coups has been examined by a number of academics, who strongly indicate the probable involvement of US, Australian and New Zealand businessmen; they also provide some evidence of the strategic alliance between TNCs and the chiefs, based around a sophisticated system of patron-clientelism. In view of the findings of the Commission of Inquiry into the Carroll Affair in 1982 (discussed in Chapter 3), after the 1987 coups the alleged activities of businessman Jeffery Reid became the focus of special interest. He was the local Director/Chairman of Emperor Gold Mines (EGM), a joint venture operation between EGM and the Australian-based Western Mining Company (WMC), which operated the gold mines at Vatukoula. Reid was a former New Zealand stockbroker with excellent connections to the Fijian establishment, particularly to both Mara and Ganilau, two prominent chiefs at the forefront of the Alliance Party which had honoured Reid with a CBE. Legal proceedings were commenced against him due to his alleged engagement in political activities, but he had managed to evade a deportation order after the first coup. Proper investigations into allegations against him have remained largely unresolved but there is consensus that some of his alleged political activities were quite improper and suspicious. In addition, his company had extensive motivation for anti-government activities, emanating from a number of proposals for the mining industry under review by the Coalition government, which could have offended the foreign corporate interests affiliated to the mining project at Vatukoula. The Coalition government was closely linked to the trade union movement and briefly supported the idea of unionisation of the mines. It had also

81 Emberson-Bain 1994a, p. 207. The perception of Coalition partner NFP was suspect as, in 1969, R.D. Patel had introduced a motion to nationalise the Vatukoula goldmine, arguing it was “in the interest of national economy” and “in the best interests of our country”. He argued that nationalisation of the goldmine was not “for the benefit of any particular race, any particular party, any particular group of people but for the whole state of Fiji” (for details see Legislative Council Debates, 30 January 1969, pp. 152–153).
called for an independent inquiry into the mining industry; supported the Nasomo landowners opposed to mining on their lands, resulting in a dispute with the company and the Mara government; and, for a short time, the Coalition was committed to workers having a stake in the ownership and management of the mine. This would have been interpreted as a threatened nationalisation of the Vatukoula mine, even though the Coalition had subsequently withdrawn this policy. Reid’s opposition to trade unionism was common knowledge which he flaunted publicly. He was known for being ‘autocratic’ and ‘eccentric’ and he had allegedly addressed the Taukei Movement, thus publicly allying himself with its activities. Under these circumstances Bavadra had allegedly suggested Reid could have arranged funding for the Taukei Movement, although no evidence has ever been produced to directly link him to any financial arrangement. The absence of any material evidence does not, however, fully recognise or explain the ease with which it is possible for TNCs to disburse funds, especially in Third World countries where corruption is widespread and prudential or corporate regulations are too acquiescent.

The Alliance Party and the chiefs represented the ruling class entrusted with the political power in the neocolonial state; they were viewed as pro-business allied with an emerging indigenous moneyed class that was aggressive, ambitious and diligently went about expanding its commercial empires. The gold mining industry had suffered many setbacks in the first decade after independence due to rising costs, the recessionary condition in the global market, and depressed prices but in Fiji it had secured a landmark anti-labour Trade Disputes Act, 1973. In 1983, the company had managed to negotiate in secret the Vatukoula Tax Agreement (VTA) with the Mara government, which was not debated in parliament or gazetted. In the wake of Bavadra’s victory, the political risk exposure for EGM and the Alliance Party were the entire restructured operations, concluded in 1983 and involving an eight-year joint venture arrangement between Emperor Gold Mines and Western Mining Corporation (WMC); under the terms of this agreement, the WMC had acquired 20% of the equity in EGM, assumed responsibility for managing the mines, and entered into a back-to-back arrangement to undertake a 50:50 joint venture for further explorations. The joint venture had secured government approval for 21-year mining leases and a special license for prospecting. Between 1983 and 1988 there was a fivefold

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82 ibid.
83 Description given by Sydney Morning Herald, 6 September 2004.
84 Robertson & Tamanisau 1988.
85 Speech to the Senate by Senator Emberson-Bain on 20 March 2003, ‘Plea for Justice for Fiji’s Mining Communities’.
86 ibid.
increase in the value of gold sales.\textsuperscript{87} Most significantly, the company had also managed to secure from the Mara government an array of unprecedented benefits for a monopoly industry, namely:\textsuperscript{88}

- Corporate group structure facilitating transfer pricing. EGM provided subsidised engineering, electricity, welfare and administration services to its subsidiaries or related companies. In 1980, the Mines Department had recommended the closure of ‘tax loopholes involving liaison or transfers with non-mining assets or subsidiaries’.
- The Mara government had agreed to absorb some 80\% of planning and construction costs of a 120-acre industrial estate at Vatukoula.
- The government had agreed to meet the entire cost of infrastructure in the form of ‘access roads, water supply, drainage, and the disposal of industrial waste.’
- Other government concessions were provided in the form of ‘lengthy tax holidays’ that effectively sheltered corporate profits.
- A bilateral tax agreement provided a seven-year tax holiday for all new mines. In the sixteen years after independence (1970–1986) the gold exports were about F$200 million, but the total income tax collected was almost negligible, a mere F$1 million (0.5\%) of the value of mineral wealth.
- An exemption from withholding tax on interest.
- An exemption from fiscal duty on imports and stamp duties.
- A Royalty payment pegged at a maximum 2.5\% of taxable income, instead of production level and sales value, saving the company $13 million between 1983 and 1989. This was half the amount prescribed by the Mining Act, that is, 5\% of value of production.
- Political influence and patronage developed in the wake of independence secured four 21-year leases for the joint venture, giving ‘exclusive rights over more than 3000 acres into the twenty-first century’ instead of the standard procedure for renewal of leases.

The company had already been appeased by the post-colonial state through the provision of a $2 million government grant, $356,000 in direct grants, and a $2.5 million loan on generous terms between 1970 and 1978. Its income tax and royalty payments were minimised due to losses or exemptions provided.\textsuperscript{89} These corporate benefits and concessions were far too valuable to trigger off management reactions against alternative policies likely to endanger any existing

\textsuperscript{87} Emberson-Bain 1994a, p. 214.
\textsuperscript{88} ibid, pp. 192–196.
Certainly Reid’s behaviour and movements raised suspicion about his possible intentions to preempt any loss of intangible benefits accrued over the years, through cozy arrangements with the Mara government. In 1982, the company had weathered accusations of being embroiled in Fiji’s election campaign. Additionally, in the following election in 1987, in a preemptive move to consolidate Fijian solidarity, Ratu Mara ‘secretly’ met with the key western chiefs\textsuperscript{90} at Reid’s private residence. The venue and the convening of the meeting underscored Reid’s influence and closeness to the indigenous Fijian establishment, and its total disregard for any conflicts of interest: negative perception of Reid’s involvement in politics and his control of the Vatukoula mines; he had terminated large numbers of indigenous mine workers, and actively pursued avenues to destroy their trade union. The Mara government had sought to resettle them in Nadivi Housing Scheme, where homes were to be built from prefabricated pines costing F$18,000 to F$20,000, and self-funded through loans from employees’ FNPF contributions courtesy of EGM.\textsuperscript{91} In other words, they had to access their retirement fund early to cope with economic hardship wrought by the company’s indifference to their plight.

After years of operations, however, the owners of EGM, an Australian company, Emperor Mines Ltd, ceased its activities in December 2006, citing poor returns; it was possibly also due to the change in government, civil unrest and persistent political instability. The company undertook the necessary refurbishment and maintenance program, and the new owners (River Diamonds PLC) re-opened the mine in November 2007 under a new management, with rehabilitation plans for the mines, after securing another set of concessions from the government. They managed to secure export tax exemption on gold (from the current rate of 3% with a maximum rate not exceeding 5%); reduction of royalties from 6% to 3% for a five-year period; further exemption from import duties on the automobile diesel oil or industrial diesel oil used in mine operations; a three-year exemption from fiscal duty on imported plant, equipment, machinery, and motor vehicles used for the mine operations; eligibility for exemption from withholding tax generally applicable on overseas loan interest payments, consultants’ fees and dividends. The mining profits are taxed like any other income, but the Minister has discretionary powers to reduce tax rates or provide tax holidays for specified periods if it is thought to be in the national interest. No reduction in tax rates were however made available, and the new owners refunded $1.7 million costs for a care and maintenance program since May 2007 and agreed to establish a $6 million

\textsuperscript{90} Attendees were Adi Nanise (Tui Ba from Nailaqa), Ratu Sakiusa Nasau (Tui Ba from Sorokoba), Ratu Ovini Bokini (Tui Tavua), Ratu Jeremaia Lewaravu (Tui Magodroa from Highlands) and Ratu Jone Nadakaibitu (Tui Yakete near Lololo), with apologies from Tui Nobobuco, Tui Nadrau and Tui Nubu near Monasavu (Fiji Times, 19 February 1986, p. 12).

\textsuperscript{91} Durutalo 1986, p. 60.
Rehabilitation Trust Fund to defray the costs of any unforeseen social or environmental necessities.\textsuperscript{92} After peaking briefly in 2004 at 1.2\%, the gold export has fallen over the years and in 2007 it accounted for a mere 0.3\% of the total exports. The government has set a target of 30\% or $100 million by 2011, and the concessions have been granted with a view to revamping the aging mine and preventing mass employment at Vatukoula. Overall, the government concessions appear exceedingly generous in line with the entitlements enjoyed by the previous owners. The estimated tax revenue forgone from these concessions over many years is difficult to quantify, but a Firca report\textsuperscript{93} in 2004 estimated that similar incentives for TNCs in the tourist industry cost the nation $93 million in forgone tax receipts between 1998 and 2003. The current political and economic situation, combined with the likely departure of EGM, made the government extremely vulnerable, and instead of abolishing previous incentives, as one would have expected, the government had to renew commitments to suit the needs of rich and powerful mining interests. After conceding the developmental needs of a Third World country, these concessions appear unusually generous for a monopoly. It is not unreasonable to question how it is possible for rich foreign investors to secure such benefits that defy any rationalisation of the country’s immediate priorities, in terms of its development and revenue generation requirements. According to Senator Emberson-Bain’s 20 March 2003 speech, over a fourteen-year period Fiji lost F$45 million in revenue from royalty. In addition, she noted that the company paid minuscule amounts of F$584 in 1984 and F$80 in 1985, which was remitted two years late. Again, in 1990, the company’s gold turnover was F$77 million but its royalty payment was zero. Thus the benefits from mining, for many years the second or third largest industry, have always been illusionary for people of Fiji.

Apart from the moral or fiscal arguments, allegations against the behaviour of foreign operators arise intermittently in Fiji, and are difficult to prove due to lack of corroborative evidence. Reid’s involvement was however recognisable in many respects, which encouraged speculation on the part of Coalition forces. On the basis of the known facts, it is impossible to draw definitive conclusions about the full extent to which Reid may have been implicated or whether he colluded with coup-sympathisers. It is equally difficult to quantify the extent of any financial support he may or may not have provided. Nonetheless, there is clear evidence of the nature of threats to his business venture and it is not unreasonable to assume that any entrepreneur would have reacted proactively to safeguard his business interests. Other commentators, for example Premdas, do not rule out the possibility of external intervention and question the role of

\textsuperscript{92} WTO 2009, p. 99.
\textsuperscript{93} Fiji Inland Revenue and Customs Authority (formerly the Inland Revenue Department).
multinationals without naming any, or the role played by former ministers of Mara government, including the probable role of US. Ewins also reviewed the observations of some key commentators and came to the conclusion that the likelihood of foreign corporate involvement was the ‘least useful explanation for the coup,’ on the bases of qualified allegations, counter arguments and lack of credible evidence. This researcher thinks he too readily dismisses the theory of foreign corporate intervention, due to the complexity of the task of adducing requisite evidence. The trans-nationals (with subsidiaries, related or associated companies operating in Fiji) have enormous economic power that gives them by extension political patronage and/or access/clout/power; this creates, in turn, symbioses of networks or configurations of allegiance, all of which provide financial and other forms of sanctuary that neutralise or mitigate perceptions likely to draw them to the attention of regulatory authorities. Their activities in other Third World economies (large and small), some of which have been well-documented suggest that their adversarial or surreptitious contribution to the political instability or post-coup developments in Fiji cannot be ruled out. On closer introspection, apart from the former ministers, the chiefs, GCC, and the nationalists or Taukeists, foreign investors and TNCs were the principal beneficiaries of the coups, despite temporary setbacks they experienced in the immediate aftermath of the coups.

Local businesses also seek to defend their territorial gains in terms of access, market share, concessions, licenses, tax holidays or other fiscal protections afforded to their industries. In the wake of the Rabuka and Speight coups, the rumor mill went into an overdrive that some local Gujarati businessmen were supportive of the coup-plotters by funding their operations. Although unresolved, some names still remain under suspicion, especially in view of the way in which some Gujarati businessmen later ingratiated themselves with successive interim administrations and appear to have benefited from the government policies. Chapter 2 has already identified the proven connection of two of the largest businesses (Motibhai & Co. Ltd. and Burns Philp South Seas Co. Ltd.) with a notorious episode of direct foreign interference by TNCs in domestic politics, to achieve alternative outcomes more favorable to the regional powers and the interests of TNCs. At the time, Josefata Kamikamica, General Manager of NLTB, was the Chairman and Adi Lady Mara, Ratu Mara’s wife, was a director of the Motibhai Group of Companies. Governor-General Ratu Penaia Ganilau was a former director of Burns Philp South Seas Co. Limited. It was not uncommon for ministers and senior bureaucrats, their wives and offspring to

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94 Premdas 1989.
95 Ewins 1988.
assume directorships in companies seeking patronage and favours from the ruling elites.\footnote{Durutalo 1986, \textit{p. 56.}} Rumors also emerged that some local Indo-Fijian garment manufacturers contributed F$51,000 to Alliance Party’s campaign in 1987. Although lacking in evidence, these accusations have not been denied.\footnote{Lal 2006, \textit{p. 64.}} The quid pro quo could well have been the expectation that there would be no enactment of minimum wages for the garment industry, which could have made the industry even less competitive with Asian countries, especially China. In another example, in the midst of the May 2000 coup’s hostage crisis, an Australian garment factory owner allegedly gave Speight F$50,000 to protect his assets and business interests. In the aftermath of the coup, the new administration extended the thirteen-year tax holiday for the garment industry, and the businessman reportedly became a close confidant and an adviser to Prime Minister Laisenia Qarase.\footnote{Naidu 2003.} At the trial of co-conspirators Josefa Nata and Timoci Silatolu, an indigenous Fijian soldier (Salesi Tuifagalele, a member of the Counter Revolutionary Warfare Unit) who had participated in the Speight coup informed the High Court that he was told by Speight that the coup was financed by leading Indo-Fijian businessmen. He named two: C.J. Patel and Hari Punja (proprietor of the breakaway firm of Hari Punja operating out of Suva, as distinct from Punja & Sons based in Lautoka).\footnote{See \texttt{<www.flp.org.fj/no3o219c.htm>}, viewed 19 February 2009, ‘Indian businessmen financed coup against Chaudhry: Court told, 8/11/2005’; \textit{ibid.}} Soon after his release Mahendra Chaudhry had claimed the 2000 coup was largely funded and backed by Indo-Fijian businessmen opposed to the Coalition’s socio-economic reform agenda and its determination to expunge official corruption. The Fiji Labour Party/Coalition claimed a number of firms were subject to official investigation with respect to over-pricing in violation of price controls imposed by the government, tax evasion and engaging in corrupt practices. Chaudhry complained he had provided the police with a list of leading businessmen implicated in the destabilisation campaign as a prelude to the coup, but 27 months thereafter they had commenced no investigation.\footnote{\textit{ibid.}} He also alleged unnamed businessmen in Suva participated in funding and providing transport, food and support services to the terrorists in parliament where the hostages were held captive. Similar allegations also surfaced against unnamed Indo-Fijian businessmen in Labasa, alleged to have financed and provided logistical support to the rebel soldiers who had seized the police and army barracks in Labasa in support of the coup.\footnote{\textit{ibid.}} According to Dr. Victor Lal of the London-based Movement for Democracy in Fiji, the FLP provided them with a list of 30 prominent companies and individuals believed to have financed the coup, including the allegation that Sir James Ah Koy and Hari Punja had bankrolled...
the coup. He noted that in June 2001 the FLP website claimed that the Gujarati community allegedly collected $62,000 for political purposes, through its fundraising effort at the Defense Club. The website claimed: ‘The Gujarati community controls a large section of the wholesale, retail and manufacturing industries. It is believed that two major ethnic Indian businessmen, one in food business and another in the hardware business, and both alleged to have been involved in financing the terrorists, were the masterminds behind the fundraiser.’ The FLP failed to get the backing of the President of Labasa Chamber of Commerce, Shiv Lal Nagindas, for further investigation of some prominent businessmen, but the allegations were refuted by Indo-Fijian representative bodies such as the NFP, the Fiji Chamber of Commerce and Suva Retailers Association, which denied any of its 120 members had supported the coup. Despite the gravity of these allegations neither Chaudhry nor the FLP has produced any evidence to substantiate their claims and they have been criticised for the oversight. In the heat of such exchanges it is always possible ‘some mud will stick’, and these forced Jim Ah Koy and Hari Punja to take out full-page advertisements in local papers to deny financing the coup. Hari Punja and C.J. Patel then vigorously opposed all allegations in the High Court.

The Speight coup also allegedly enjoyed support from prominent indigenous Fijian businessmen. Two of them were identified as Watisoni Nata, the head of the Strategic Air Service based at Nadi Airport, and Navitalia Naisoro, who was the head of Western Union in Fiji. A third, Konisi Yabaki, was sacked as the Managing Director of Fiji Pine Limited, along with another Board member, Navitalia Naisoro, for dereliction of duty, corruption, and financial mismanagement. These three men were identified in Channel Nine’s Sunday program as co-plotters, and later emerged as close advisers to Prime Minister Qarase. Yabaki served as Qarase’s Minister for Fisheries and Forests with responsibility for both Fiji Pine and the Mahogany plantations. A former Minister of Finance, Ratu Jone Kubuabola, was relieved of his duties as Chairman of Fiji Pine in 1988 by the SVT government, for his failure to foresee the problems. Under the Chairmanship of Ratu Jone, the pine forest plantation had suffered chronic neglect. The next Chairman of Fiji Pine Limited, George Speight, was also terminated for misconduct in 1999 by Poseci Bune, who was then Agriculture Minister. All these men had a business background, and they had a lot to lose. They were all identified as co-conspirators by a defector interviewed in Channel Nine’s Sunday program.

102 Fiji Sun, 30 November 2005, p. 1, later revealed the scam after interviewing SVT Minister for Agriculture, Militoni Leweniqila, who had sacked the various officials in 1998.
103 Channel 9 Sunday program, 7 May 2006.
The rumors of businesses funding the coups still persist in Fiji, especially among the Indo-Fijians, who argue some businessmen appear to have benefited from the coup and that this is proof of their motivation to act. However, it is equally plausible to argue that most businesses would want a stable political and economic environment to conduct their operations, and organising coups or activities that destabilise governments is not necessarily in their best interests. It has to be noted, though, that in accepting that the task of gathering requisite evidence in a politically-charged atmosphere would have been arduous, the onus still remains with Chaudhry and the FLP to back their allegations with credible evidence, if the veracity of their claims is to be accepted and regarded as not compromised.

Some persuasive evidence of direct foreign corporate interference re-surfaced after the Speight-led coup, when a newspaper report\textsuperscript{104} produced direct evidence of US corporate involvement in Fiji politics. This was via Timber Resources Management, an American corporation owned by 57-year old Marshall W. Pettit, a Seattle-based real estate developer engaged in financing projects in California, Texas and Washington State. His company had commissioned George Speight, who was by 1998 the Chairman of Fiji Pine and held a leadership position in the Fiji Hardwood Corporation, to negotiate the tender process for harvesting mahogany. A complex arrangement revolved around ‘proposing to sell tens of millions of dollars in bonds to finance the development of a forest-products industry and then repay the bonds from the proceeds of the sales of the timber products’.\textsuperscript{105} The issuance and management of government bonds is complex and difficult to administer in an under-developed financial market in Fiji. The Fijian government had never traded in bonds and its advisers had a natural aversion to this financial instrument, as the arrangement ‘potentially’ could have earned Pettit and his partners millions in underwriting commissions, management fees and long-term profit-sharing before any harvesting had commenced. The New York Times report estimated the fees payable to be $100 million, although the veracity of this claim remains questionable; indeed, it is difficult to ascertain the basis on which such an estimate could have been made. However, due to hard lobbying and diplomatic representations, the Chaudhry government sent top officials, at the US State Department’s expense, to visit the Wall Street underwriters of the bond, Fahnestock & Company. Despite the delegation’s glowing report on their return, the Chaudhry government chose a British bid, upsetting the Americans and leading to weeks of negative press with ‘allegations’ and ‘counterclaims’ involving the Chaudhry government. In an obvious departure from protocol, the American Ambassador intervened in the political dispute, describing the cabinet decision as

\textsuperscript{105} ibid.
‘nontransparent’ and, in what appeared to be a veiled threat, inferred that American businesses might leave Fiji. This is another clear example of bullying tactics employed by big businesses, and their ability to access their own government and consular resources to influence decision-making processes in developing countries such as Fiji. Eventually, as the financial scandal implicating Speight and Pettit became subject to police investigation, Speight was relieved from both his posts in the timber industry. In view of these developments, many observers have argued the threat to local and foreign corporate interests was a powerful motivation for Speight and his associates to carry out the third coup.

There can be little doubt that both local and foreign corporations lobby hard to secure a favourable operating environment, and in poorer developing countries where regulatory regimes are less than stringent they seek direct access to power, through campaign contributions or even attempting to corrupt local officials or political leaders. Fiji is yet to introduce a register of pecuniary interests that effectively polices campaign contributions to political parties from all sources. There is no evidence that voluntary disclosures have proven to be an adequate deterrence against racketeering, bribery and corruption. The country’s fall from grace is captured in the 2005 report of London-based Transparency International, which places Fiji as the 55th most corrupt nation in the world, after considering submissions from 159 countries. It places Fiji as the 9th most corrupt nation in the Asia Pacific region, with only 4 points out of a possible 10 (New Zealand was judged to be the best with 9.6 points). The general perception is that corruption has reached endemic proportions in Fiji, especially at the upper echelons of government, bureaucracy and the private sector. Kick-backs, greasing of palms and other corrupt practices abound in all sectors, and over the years the Auditor General’s reports have repeatedly identified various scams in breach of procedural matters, such as the awarding of government contracts without the observance of tender processes. Many government departments failed to maintain proper documentation of transactions and circumvented payment authorisation procedures with disturbing ministerial oversights.106

3.3. The Unseen Order and the Involvement of Foreign Intelligence Services

The possibility of CIA involvement in the first coup has not been ruled out by a number of observers. Among the more prominent and forceful, Michael Parenti states:

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Since WWII, the U.S. government has given more than $200 billion in military aid to train, equip, and subsidize more than 2.3 million troops and internal security forces in more than eighty countries, the purpose being not to defend them from outside invasions but to protect ruling oligarchs and multinational corporate investors from the dangers of domestic anti-capitalist insurgency (emphasis added).\(^{107}\)

In his view US national security agencies have been involved in ‘covert actions or proxy mercenary wars’ against various world governments thought to be ‘revolutionary’, and a range of ‘hostile actions have been directed against reformist governments’ in various countries in the ‘Middle East, Peru, Zaire, Jamaica, Yemen and Fiji Islands’ (emphasis added). Parenti does not produce any hard evidence to substantiate his claims with regard to CIA involvement in the 1987 Fiji coup but argues that the US is principally motivated by the strategic goal of its policy to make global markets safe for its Fortune 500 corporations. Thus, US intervention is an outcome of its need to protect direct foreign investments on behalf of private capital, create opportunities for new investments, and preserve politico-economic domination and the international capital accumulation system. His central argument is that countries that do not subscribe to the US agenda and follow its prescribed course, or that ‘put the global capitalist system at risk,’ become targets and, more often than not, incur the wrath of US global power.

In a press report, three days after the first coup, an unnamed Pentagon source was quoted as saying that the US government was ‘profoundly disturbed’ by the events in Fiji but unofficially ‘we’re kinda delighted.’\(^{108}\) The source also stated: ‘All of a sudden our ships couldn’t go to Fiji and now all of a sudden they can. We got a little chuckle about the news.’\(^{109}\) In a surprising development on the same day the Australian Opposition spokesman for foreign affairs, Neil Brown, who was attending the Mara-chaired Pacific Democrat Union Conference at the Fijian Hotel, attacked Bob Hawke for his ‘extravagant criticisms’ of Rabuka’s coup. The PDU conference for the benefit of a coalition of conservative politicians was funded by the National Endowment for Democracy (NED). If American reactions were insensitive, then comments from an Australian Liberal Party spokesperson were interpreted as suggesting they were trying to shield the coup-plotters. His stance raises the obvious question: exactly what was the Australian Liberal Party trying to protect?

\(^{109}\) ibid.
According to another American commentator, William Blum, Bavadra made US officials unhappy by identifying his government with the Non-Aligned Movement – thought to be risky for any country, as its champion and the world’s largest democracy, India, found out through its isolation for some fifty years, but especially dangerous for aid-dependent micro states. Blum claimed that Bavadra further aggravated the US by his government’s avowed commitment to Fiji becoming part of a nuclear-free zone. It effectively meant US nuclear-powered or nuclear weapons-carrying ships could not dock in Fijian ports. Fiji lies at the heart of the region and is the most developed pro-western Pacific Island state; it is therefore of great geopolitical significance. Within a year of Fiji’s independence, the Americans established an Embassy in Suva with a Charge d’Affaires, upgrading it to a resident Ambassador by 1978. By the 1980s, the movement to de-nuclearise the Pacific had become an enormous problem for US foreign policy in the region, and when Mara adopted the nuclear-free policy in 1982 he was pressured to drop it, for it was perceived as too risky for US interests in the Pacific. By then the people of Belau (the native name of Palau, a US colony until 1994) had adopted the first anti-nuclear constitution in the world. In June 1985, Belau’s first elected President, Haruo Remelik, was assassinated and to date his murder remains unsolved. The newly-independent state of Vanuatu had also turned away an American naval vessel because it might have been armed with nuclear weapons. For its progressive views and confronting the Pentagon’s policy of ‘strategic denial’, Vanuatu was branded the ‘Cuba of the South Pacific’ by the US State Department. The Americans feared a possible domino effect of this nuclear-free policy throughout the Pacific and a possible eventual spread to its most important ally, Australia. It is not unreasonable to hypothesise that the US would have seen it as its duty to counter any movement towards the policy gathering momentum in the region. Blum also notes that two weeks before Bavadra was sworn in as Prime Minister, US Ambassador-at-Large Vernon Walters, visited Fiji as part of his twelve-nation itinerary. He was ‘former Deputy Director of the CIA and had a long and infamous history of showing up shortly before, during, or shortly after CIA destabilization operations.’ He had separate meetings with Bavadra and Rabuka, at the time only third in command of the RFMF.

110 In contrast, despite claims of the loyalty of Indo-Fijians to India and its large community, the Alliance government only appointed a non-resident High Commissioner to India in 1986, who happened to be a Trinidadian of Indian descent naturalised as a Fiji citizen. The Indian High Commission has been in Fiji since 1946.
112 Alcalay 1988, p. 245.
William Blum, who is at the forefront of investigations into CIA activities, argues that the NED was established in 1983 by the Reagan Administration to sanitise the negative image of the CIA, as a result of the damaging revelations of its activities in the 1970s – especially in Latin America and the Middle East, which led to various investigations of the CIA by the Watergate-Church Committee of the Senate, the Pike Committee of the House, and the Rockefeller Commission. Although entirely funded by US taxpayers, the NED was identified as a NGO created to ‘support democratic institutions throughout the world through private, nongovernmental efforts’ (emphasis added), but it was merely a front for the CIA with an unobtrusive name. The CIA utilized the NED as a convenient vehicle to launder money through four channels, which were the principal recipients of its funds: the International Republican Institute (formerly NRIIA), the National Democratic Institute for International Affairs (NDIIA), affiliates of AFL-CIO such as the American Center for International Labour Solidarity (ACILS), and affiliates of the Chamber of Commerce such as the Center for International Private Enterprise (CIPE). Allen Weinstein, who helped draft the legislation authorising its establishment, clarified its position when he stated in 1991, ‘A lot of what we do today was done covertly 25 years ago by the CIA.’ Its operations evoke Orwellian overtones, for while it describes its mission as ‘supporting democracy’, foreign governments and civil societies within its target zone call it ‘destabilisation’. It seems its listing as a NGO, despite its dependency on the US taxpayers for total funding (which makes it a fully-fledged government organisation), is designed to evade any form of Congressional oversight. Even some Republicans are uneasy about its unfettered powers. According to a former presidential candidate, it has become a ‘heavily subsidized foreign policy loose cannon.’ In the context of the Fiji coup, Blum provides powerful insights into how local organisation and NGOs could be manipulated and their funding channels escape public scrutiny:

In a multitude of ways, NED meddles in the internal affairs of foreign countries by supplying funds, technical know-how, training, educational materials, computers, fax machines, copiers, automobiles and so on, to selected political groups, civic organizations, labor unions, dissident movements, student groups, book publishers, newspapers, other media, etc. NED programs generally impart the basic philosophy that working people and other citizens are best served under a system of free enterprise, class cooperation, collective bargaining, minimal government intervention in the economy and opposition to socialism in any shape.

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114 Reagan came to power after a long period of humiliation, due to the Iran hostage crisis and the failure of Carter’s rescue mission. Reagan promised to put America back to work but his foreign policy came under sustained attack after the Iran-Contra affair involving Colonel Oliver North, who was implicated in the arms for hostage exchange.

115 See Blum 2000.


or form. A freemarket economy is equated with democracy, reform and growth, and the merits of foreign investment are emphasized (emphasis added).¹¹⁸

Basically, the thrust of the NED’s overall global programs is consistent with the ‘needs and objectives of the New World Order’s economic globalisation, just as the programs have for years been on the same wavelength as US foreign policy.’¹¹⁹ Clearly, the NED was publicly in the business of spreading libertarian values or advancing democracy but covertly pursued an agenda of securing US-friendly governments, however corrupt or opposed to their own national interests.

…NED successfully manipulated elections in Nicaragua in 1990 and Mongolia in 1996 and helped to overthrow democratically elected governments in Bulgaria in 1990 and Albania in 1991 and 1992, and was busy working in Haiti in the late 1990s on behalf of right wing groups who were united in their opposition to former president Jean-Bertrand Aristide and his progressive ideology. NED has made its weight felt in the electoral-political process in numerous other countries.

NED would have the world believe that it’s only teaching the ABCs of democracy and elections to people who don’t know them, but in all five countries named above there had already been free and fair elections held. The problem, from NED’s point of view, is that the elections had been won by political parties not on NED’s favorite list (emphasis added).¹²⁰

These events establish a pattern of US engagement with governments whose policies are seen as incompatible with strategic US foreign policy objectives.¹²¹ In Fiji, too, the ‘wrong’ party won a free and fair election in 1987, with overwhelming support from indigenous Fijians, Indo-Fijians and part-Europeans. The first coup was the culmination of political activism by the nationalists, who had flagged their intentions over the previous decades that progressive elements within the political spectrum risked the ire of the indigene if changes to the Fijian power structure ever occurred. Within a few days of the coup, serious speculation on the possibility of CIA involvement emerged in the press.¹²² An ‘unnamed’ senior intelligence source in Suva helped develop the conspiracy theory that of the five CIA employees operating in Fiji, ‘one of them was

¹¹⁸ ibid.
¹¹⁹ ibid. The term ‘New World Order’ is used by Blum in the sense first articulated by Mikhail Gorbachev and later reiterated by George Bush Snr, after the fall of the Berlin Wall and the official end of the Cold War. It is used to indicate the anticipated cooperation among superpowers to secure and maintain global order and peace through universal consensus.
¹²⁰ ibid.
¹²¹ By way of illustration, Blum has argued that the NED played a crucial role in the Iran-Contra affair in the 1980s, and provided the funding for ‘Oliver North’s shadowy “Project Democracy” network, which privatised US foreign policy, waged war, ran arms and drugs and engaged in other equally charming activities.’ In 1987 a White House spokesman conceded that the NED was the ‘public arm of Project Democracy, while North ran the covert end of things.’ In other recent examples, the NED was implicated in a 1984 controversy, when its funds were used to support a Panamanian presidential candidate backed by notorious General Manuel Noriega, forcing the Congress to outlaw use of NED funds for political campaigns of candidates for any public office.
¹²² Sydney Morning Herald, 18 May 1987, p. 5; Sydney Morning Herald, 19 May 1987, p. 11.
in Parliament House at the time of the coup.' Another source suggested ‘three CIA operatives came to Fiji 10 days ago.’\textsuperscript{123} The supporters of the theory relied on a host of circumstantial evidence still in need of disambiguation: the arbitrarily dismissive American response to the coup appeared to be inconsiderate, perfunctory, free from the constraints of diplomatic language and lacked concerns for American commitment to democracy; an unannounced visit by General Walters to Fiji and his meeting with Sitiveni Rabuka (then only a third-ranked army officer); Ratu Mara’s visit to the US military headquarters (CINPAC) in Hawaii; Walters’s meeting with Minister for Foreign Affairs Krishna Datt, accompanied by a large entourage of specialists versed in every aspect of non-linguistic communication; a lightning visit to Fiji by an unidentified US official from Hawaii a day before the coup; the US naval build-up in the region prior to the coup; the increased NED activities in Fiji and the Pacific prior the coup; and the overall concern the US and its regional allies had with respect to the nuclear-free Pacific policy adopted by the Bavadra government. The US position was vulnerable due to contradictory messages from the new government, with Bavadra declaring his intention not to allow a Soviet Embassy presence but to make Fiji ‘non-aligned’ and adopting New Zealand’s position on nuclear warships. His Foreign Minister, Krishna Datt, indicated a milder position that would have allowed some ships to visit Fiji.\textsuperscript{124} There were some prominent voices who supported this line of reasoning including a former Fiji lawyer Dr. Sahu Khan, a Sydney solicitor Ditta Chandra, and an expert in South Pacific Law David Weisbrot from the University of NSW (although in a letter to the editor, he subsequently questioned the stance he had adopted). Additional support for the theory also materialised from an Australian politician,\textsuperscript{125} lending credibility to some of the arguments when she raised a number of salient but hitherto unchallenged assertions. She alleged that:\textsuperscript{126}

- Two Australian men and an American, all CIA operatives, were involved in the coup. The same three men had engineered the outcome of the 1982 Fijian election result, which caused a furore when the ABC Four Corners program investigated allegations of foreign involvement during the 1982 election campaign; this has already been fully explored in Chapter 3.
- The ABC program was instrumental in the setting-up of a Royal Commission of Inquiry, headed by a retired New Zealand judge, Sir John White, who ‘found clear evidence of

\textsuperscript{123} ibid.
\textsuperscript{124} Also covered by New York Times, 30 April 1987.
\textsuperscript{125} Labour member to the Victorian Upper House, Joan Coxsedge, co-author of a book on intelligence activities Rooted in secrecy: The clandestine element in Australian politics 1982.
\textsuperscript{126} Sydney Morning Herald, 18 May 1987, p. 5.
outside interference by two Australians and an American acting on his [Ratu Mara’s] behalf.

- One Australian (Allan Carroll) was a senior partner in a New York-based firm, Business International, which was exposed in 1977 by the New York Times as a front for the CIA. This company represented some ‘three-quarters of the world’s largest trans-national corporations.’ The other Australian male, Geoff Allen, was not identified by Coxsedge, but the American was ‘a former US military intelligence officer and Harvard professor, Dr. Jeffrey Race, who ran a company called Asian Strategies out of Bangkok’ (also believed to be a CIA front). Coxsedge further confirmed she had compiled information on Dr. Race during her trip to Harvard University in 1983.

- Business International had also meddled in Australian politics by producing a report, in late 1981, on the strategies to manipulate the Australian Labour Party which dealt with Bob Hawke’s accession to the ALP leadership.

Joan Coxsedge’s speculation on a number of coincidences adds to the allure of circumstantial evidence, especially the cancellation at ‘short notice’ of planned joint military exercises in Fiji scheduled for the week before the coup, in which five members of SAS from Australia and one from New Zealand were expected to participate. The SAS is based in Perth and Coxsedge queried the convenient timing of a visit to Perth by the Commander of the RFMF, Brigadier Ratu Epeli Nailatikau, (Mara’s son-in-law and nephew of Ratu George Cakobau, the former Governor-General) to ‘take delivery of two patrol boats’. In her assessment the ‘coup was “clearly planned” by CIA and pro-US groups in the South Pacific,’ and she boldly asserted that Australian authorities must have had prior knowledge of it.129

The history of CIA activities in the South Pacific and its linkages with the ‘dirty tricks’ campaign during 1982 election campaign were pieced together in a Sydney Morning Herald report the following day.130 Adding to the intrigue, it suggested the physical presence of a CIA operative in the Fijian Parliament at the time the coup was carried out. It highlighted an increasing United States presence in the Pacific region, and pointed to a defining moment in US-Fiji relations when Mara was welcomed and congratulated by President Reagan in 1984 for his

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127 Sydney Morning Herald, 2 July 1982, p. 1; see also Utrecht 1984, pp. 53–65 where Geoff Allan is identified as former press secretary to Bill Snedden and, as such, as well-connected to the Australian Liberal Party. As the Director of the Australian Industries Development Association (AIDA), he represented a business lobby organisation with a large TNC clientele.

128 Another Australian operative was a team member and researcher, Rosemary Gillespie, who leaked the Carroll Report to the ABC’s Four Corners program (see Lal 2006, p. 48).

129 Sydney Morning Herald, 18 May 1987, p. 5.

130 Sydney Morning Herald, 19 May 1987, p. 11.
decision to reverse Fiji’s ban on visits by US nuclear ships. As a quid pro quo Mara was rewarded with military and economic assistance.

The CIA involvement theory gained momentum as a result of a number of other American activities in the region: first, in October 1984 the Asian American Free Labor Institute (AAFLI), an international arm of the US trade union movement, established an office in Suva, but it was relocated to Hawaii in 1986 after foreign press queried its main activities.\footnote{See Sydney Morning Herald, 18 May 1987, p. 1&5.} By the time it relocated it had spent about $1 million dollars to defeat and sabotage a resolution presented to the Pacific Trade Union Forum to declare the Pacific nuclear-free.\footnote{Wypijewski, 1987, p. 117; Alcalay 1988, p. 246.} It is significant to note that the Fiji government had threatened to deploy the army if the Fiji Trade Union Congress (FTUC) called a general strike in early 1985, and it subsequently de-recognised the FTUC whilst encouraging indigenous trade union leaders to establish a rival trade union. The USP was pressured by the government to outlaw any meeting of the Fiji Anti-Nuclear Group (FANG) on the campus and to prohibit the political activism of its staff members. Second, AAFLI was funded by the NED, which existed to support businesses, NGOs and trade unions to advance American interests around the world. Third, the US negative attitude to the Pacific can be gleaned from the 1986 AAFLI submission seeking additional funding from the NED:

The trade unions of the island nations of the South Pacific are fragile institutions…their ability to see distinctions between the Soviet bloc and the democratic nations of the world is sometimes clouded, especially when emotional issues such as colonialism, nuclear testing, and economic protection zones are introduced into discussion.\footnote{Sydney Morning Herald, 19 May 1987, p. 11.}

Furthermore, the US infiltration of the trade unions is also confirmed by the following excerpt of Glenn Alcalay’s interview with Graham Kelly, a Labour Party member of the New Zealand Parliament, which he reproduced without editing to preserve the interviewee’s insights in their entirety:

Various US agencies have poured money into third world countries, whether it’s Turkey or South American countries, or Asia and the Pacific. The American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) in fact financed an office in Fiji for the trade union movement – the Asian-American Free Labor Institute (AAFLI). It was an offer that was too good to be missed by the Fijians who haven’t got much money, and in fact, they’re doing this in other Pacific island countries as well. AAFLI, as it is called, is one of three foreign affairs arms of the AFL-CIO: there is one operating in Latin America, one in
Europe, and AAFLI in the Asian-Pacific area. These have been known to have CIA involvement from its formation during the Cold War. Also, we now know about the National Endowment for Democracy (N.E.D), which I think had $18.9 million in its budget in 1985, most of which went to try to overthrow and reverse the policies of France’s confederation of leftwing unions, and an amount was also spent in the Pacific. Now we know that all of these things are going on, so, for example, when the Fiji coup occurred, it didn’t happen in a vacuum, it didn’t happen in isolation.  

In its submission to the NED, AAFLI had taken credit for overturning a resolution supporting the ‘Pacific nuclear-free zone’ at a trade union conference. It referred to an ambush of the 1985 proceedings of the Pacific Conference of the International Confederation of Free Trade Unions, which failed to garner any support for a ‘political resolution’ to support NZ’s nuclear-free policy. Only one delegate supported it, due to AAFLI’s influence on South Pacific trade unions leaders – despite their countries’ firm endorsement of nuclear-free Pacific. Fourth, the funding for AAFLI (and similar bodies in Africa, Latin America and elsewhere) came from AFL-CIO, the main American trade union body, matched by the American government through the NED; this indicates that the CIA had successfully infiltrated the American and international trade union movement. According to Freedom of Information (FOI) documents, the funding for South Pacific in 1986 (the year before the Fiji coup) was over $700,000. Fifth, as Blum has also argued, the CIA’s strategic involvement probably would have occurred through projects like the “Pacific Basin Democratic Development” (PBDD), funded by the NED but overseen by National Republican Institute for International Affairs (NRIIA), later renamed the International Republican Institute (IRI), a wing of US Republican Party committed to promoting American-style democracy in other parts of the world. The $150,000 PBDD project was funded by the NED, and it was to be carried out in conjunction with the Pacific Democratic Union (PDU). As the actual coup unfolded, the PDU was holding its meeting on the western side of the island, at the Fijian Hotel. In attendance were Australian Opposition spokesman on foreign affairs, Neil Brown, and several other conservative politicians from Fiji, Australia and New Zealand. Sixth, in 1986, a NRIIA report noted its concern with regard to the emergence of ‘serious anti-democratic forces’ in the Pacific region, which undermined ‘continued political development’ and sought ‘co-operation with the National Party of New Zealand and the Liberal Party of Australia’ to provide ‘technical and financial support for party-building work.’ Seventh, FOI documents also confirmed a planned conference on privatisation by the US Agency for International Development, in response to various island governments ‘actively studying how they might transfer government commercial enterprises to the private sector,’ particularly in Fiji and Western Samoa. This conference aimed to inform why and how best to privatise publicly-owned

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134 Alcalay 1988, p. 246, conducted at Auckland on 21 October 1987, five months after the first coup.
enterprises. After the coup, the SVT government, led by Rabuka, accelerated the privatisation of government assets such as Telecom Fiji, Airport Fiji Limited and Fiji Ship Building Limited, to name a few. It has been queried if these events were mere coincidences or deliberately planned strategies from abroad.

In the Alcalay study an extract from a speech made in 1982 by former US Ambassador to Fiji, William Bodde Jr., provides some indication of how seriously the US viewed the nuclear-free stance adopted by the Bavadra government:

> The most potentially disruptive development for U.S. relations with South Pacific is the growing antinuclear movement in the region. A nuclear-free zone would be unacceptable to the U.S. given our strategic needs, and I am convinced that the U.S. must do everything possible to counter this movement (emphasis added).  

As mentioned above, it is well known that US nuclear policy (together with the British and French nuclear and military posture) in the Pacific suffered a series of challenges, commencing with the founding of the ATOM (Against Tests on Murorua) Committee in Fiji in 1970; it drew on activists from the USP, the Pacific Conference of Churches and the Pacific trade union movement. By 1975, it had organised the first nuclear-free Pacific conference in Fiji, followed by meetings in the Micronesian island of Pohnpel (1978), Honolulu (1980), Vanuatu (1983), and Manila (1987). At the 1983 conference it was renamed the NFIP (Nuclear-Free and Independent Pacific). By 1984, the Lange government in New Zealand had placed a ban on nuclear warships. At the Manila conference, participants aggressively denounced the US-French initiative to block the independence of New Caledonia, French Polynesia, East Timor and West Papua and their right to an anti-nuclear position. The conference also reviewed the closure of US bases in the Philippines, supported the renaming of New Zealand with its Maori name of ‘Aotearoa’, supported Palau’s anti-nuclear constitution, and called for the US to end its heavy bombardment of Koho’olawe during its bi-annual Rimpac exercises. It is an island near Maui considered sacred by its indigenous people. The French continued to conduct nuclear tests at Mururoa and Fangtuafo atolls (Tahiti), and the American ongoing missile tests and SDI experiments at Kwajalein atoll (the Marshall Islands), together perceived indifference to the treatment of the East Timorese, the Kanaks and the West Papuans, made all three major powers very unpopular in the newly independent Pacific nations seeking to assert various forms of their own

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136 Since 1971, the world’s largest naval exercises conducted by the US Navy, Coast Guard, Marines and National Guard forces, in conjunction with Australian, Canadian, Chilean, Japanese, South Korean, British and Peruvian forces. Some observer nations include India, Indonesia, France, Malaysia, Mexico, Philippines, Russia, Ecuador, Singapore and Thailand.
independence. The refusal by these major powers to sign the Law of the Sea Treaty and the South Pacific Nuclear Free Zone Treaty (The Treaty of Rarotonga) was compounded by the involvement of two French DGSE\textsuperscript{137} agents held responsible for the bombing of the Rainbow Warrior in Auckland harbour in July 1985. Cumulatively, these events had profound repercussions on the collective psyche of the PICs or PIF countries, with the Pacific islanders viewing the US, French and English engagement as destabilising their region. They were far from convinced that Russia, China or Libya (even Iran) were real causes for regional instability, despite some of their member countries (in particular Vanuatu) flirting with various overtures from Russia and Libya for fishing rights, in exchange for funding infrastructure development projects.

As already noted, there is some evidence of direct and indirect involvement of TNCs with links to intelligence agencies. However, the most damning evidence of CIA activity, if true, appears to be a quote from Bavadra: ‘Tora was overheard in one of the hotels here saying that the Taukei Movement will get what it wants and there’s no worry about the funding, we’ve just received $200,000 CIA money.’\textsuperscript{138} While visiting Washington in June 1987, Bavadra repeated the claim that Paupe\textsuperscript{139} provided US$200,000 to Tora to organise the anti-government demonstrations. Dr. Sutherland, who was then Bavadra’s press secretary, had come across a file containing evidence of the transaction.\textsuperscript{140} In a newspaper article, Wypijewski posited that Tora, who lived on a government salary of about F$25,000, must have received funding from somewhere and noted that Paupe’s arrival in Fiji coincided with intensified US activities to counter anti-nuclear campaign in the Pacific through the Pacific Trade Union Forum. Time magazine also asserted that a ship formerly owned by Baron Offshore Ltd., a company linked to the parent company of EGM, was covertly transporting Israeli Uzi machine guns to Fiji.\textsuperscript{141} It is curious that prior to the coup and up to 25 September 1987 Israel maintained a low-level trade mission in Fiji but boosted its presence after the coup to full embassy status. Fiji hardly conducted any trade with Israel, and its Israeli Foreign Affairs magazine noted that ‘Israeli army officers are helping Fiji military coup leader (then) Col. Sitiveni Rabuka with surveillance and intelligence work.’\textsuperscript{142}

\textsuperscript{137} French secret service equivalent to the CIA or former KGB.
\textsuperscript{138} V. Lal 1990, p. 227; Bavadra claimed in Washington that Paupe handed US$200,000 to Tora to organise anti-government activities. Tora, the US Embassy and Paupe denied this allegation.
\textsuperscript{139} William Paupe was former Deputy Assistant of Public Health in the USAID during the Vietnam War, where he served from 1966 to 1975. Accusations against him (denied by him and the US authorities) are based on his alleged activities and the role of USAID in Chile (1964), Vietnam (1966–1975), South Korea (1977–1981), where AID was variously employed to support counter-insurgency and repression of labour, or to bankroll organisations such as the AAFLI (see also Wypijewski 1987, pp. 46–48).
\textsuperscript{140} V. Lal 1990, p. 227.
\textsuperscript{141} Ewins 1988.
reasonable to question if they were returning some favour to the Fijian peacekeeping force in the Middle East, or the supporters of Israel lobby in some other part of the world. Moreover, between 1985 and 1987, US aid to Fiji was substantially increased to around US$10 million, which represented military aid of US$1,203,000 and non-military aid of US$8,796,000.\textsuperscript{143}

In recognising that not all evidence is in or that no ‘smoking gun’ has been found, other commentators do not discount the overall possibility of US involvement, and accept it would have been easy for US embassy officials to distribute money or resources to the Taukei Movement.\textsuperscript{144} Brij Lal has argued it was not ‘whether the US was involved, but how deeply was it involved,’\textsuperscript{145} whereas Scarr’s skepticism appears to be based on a narrow assessment that the RFMF did not need CIA incitement to mount a coup, given the undercurrents of inter-ethnic tensions and indigenous demands for political hegemony. Of particular interest is an analysis of the 1987 events in the context of cold war cleavages of the two dominant super powers, which suggested that the nuclear-free Pacific would have been a serious problem for the US.\textsuperscript{146} It is supported by the observations of Greg Fry, a political scientist from the Australian National University, who argued that during the cold war period Australian policy, always closely linked with a US position, was totally committed to keeping the Pacific Islands free from Soviet presence or influence in the region.\textsuperscript{147} The European colonial attitude of condescension towards indigenous Fijians, and their overall perception of naiveté of some leaders may well have provided strong motivation to preempt any possibility of threats to the country’s vital interests and, ultimately, increased pressure on Australia to adjust its policy towards the region. The Commander-in-Chief of the United States Pacific Command (CINPAC), Admiral Ronald Hays, had echoed fears held by the Pentagon about the stability of the South Pacific: ‘I am concerned about the growth of the Fiji Labour Party. We will have to keep our eyes on Fiji.’\textsuperscript{148} Furthermore, the US Ambassador-at-Large, General Vernon Walters, had argued that the US was obliged to protect the region. American foreign policy in the region was under serious consideration and the need to keep the region free from Soviet or Libyan presence was a key priority. The left-leaning tendency or the non-alignment posture of the FLP was viewed with far greater apprehension than had been publicly articulated by various sources. There is little doubt that Bavadra’s team was regarded as a ‘red hot bunch of nationalising socialist lefties.’\textsuperscript{149}

\textsuperscript{143} Lal 1988a, p. 33.
\textsuperscript{144} Lal 1988a & b; Robie 1989; Scarr 1988.
\textsuperscript{145} Lal 1988a, p. 36.
\textsuperscript{146} V. Lal 1990, pp. 222–231.
\textsuperscript{147} Fry 1996 & 1999.
\textsuperscript{149} Sunday Times (Fiji), 3 May 1987, p. 1.
There is a lot of substance to these allegations and counter positions adopted by commentators and key players, some of which have been authenticated by external reports or other forms of communication, and it would be unwise to dismiss them all as far-fetched or some form of ‘conspiracy theory’, as most opponents of the CIA theory appear to have argued. On the face of it, the synchronised timing of the PDU meeting with the coup, chaired by key protagonist Ratu Mara in the presence of foreign dignitaries in a venue far removed from the scene of political carnage, appears to be a masterstroke, suggestive of careful planning rather than a random occurrence. Without undermining the capacity or professionalism of the RFMF, the meticulous planning of the coup, the plotters’ attention to detail and its thorough execution suggest some foreign help cannot be ruled out. Clearly, there was a great deal of forethought given to the post-execution phase and the army’s responsibilities to deal with the wider political, economic and social ramifications of the coup. On the whole, the seizure of monetary policy, imposition of fiscal controls and management of aspects of national security issues were well thought out. At least in its outward appearance, for the first coup in the Pacific, it was in all respects too successful. A number of observers concluded that US failure to preserve democracy in Fiji and its subsequent posture is not sufficient evidence of CIA involvement in the first coup. In addition, whilst US help in the planning and execution of the first coup cannot be ruled out, the US actions in supporting or training the Fijian military and forging close ties with Mara (who in returned the favour by revoking the pre-1983 ban on nuclear ships, without consulting his cabinet) are considered normal for a country looking after its broader interests.\(^{150}\) However, such a proposition still runs counter to known US activities in other parts of the Third World already mentioned above, where its behaviour was seen as ‘powerfully suggestive’\(^{151}\) and, in the final analysis, the examination of all circumstantial evidence and the US reactions to various events lead one to the conclusion that the US was more than superficially involved in the 1987 coup. Further, in view of the commentaries on their official responses, behaviour of key personnel, the convergence of other events, and past US history, it possible to argue more persuasive information has come to light that provides additional answers to many questions, whilst some questions are yet to be fully answered. As one would expect, in the face of mounting circumstantial evidence of US complicity in the coup and denials by ‘unnamed’ US officials or senior intelligence analysts, it is still possible to conclude that US involvement in the first coup was both real and substantial.

\(^{151}\) Premdas 1989.
3.4. The Duplicity of Regional and International Responses

Despite negative global reactions to the coup, there emerged a regional Melanesian solidarity and nationalism that engulfed and countered metropolitan perceptions of the indigenous Fijian grievances. Paias Wingti, then Prime Minister of Papua New Guinea, came to the defense of his Melanesian brethren and his government was the first to recognize the Rabuka regime. Other PICs fell in line, with the exception of Father Walter Lini from Vanuatu, who was more circumspect about the developments in Fiji, having experienced a secessionist rebellion in May 1980 (Appendix I) before steering his country to independence. The Mara government had forged close links with Malaysia and it supported the new regime at the October 1987 Commonwealth Heads of the Government meeting (CHOGM) in Vancouver. Fiji’s membership was suspended at CHOGM but no economic sanctions were imposed. The Indian Prime Minister’s condemnation of the repression of the Indo-Fijians and the rise of ugly neo-racism in Fiji met with resistance from Margaret Thatcher, who felt comfortable with her indifference to the developments in Fiji as there were four other military governments in the commonwealth at the time. CHOGM appeared to prove its ineffectiveness and irrelevance as a ‘talk-fest’ convened by a symbolic entity, which was not taken seriously even by small island states. To further strengthen ties between the two countries, Malaysian Foreign Minister Abu Hassan visited Fiji on 30 November 1987.\(^\text{152}\) In the same month, Fiji’s Foreign Minister Philipe Bole went on a ‘private’ visit to Australia and New Zealand, followed by a two-week official visit to China, and planned another visit to Indonesia which was later cancelled. Most PICs lent their support to the indigenous Fijian cause which, in their perception, was just – even if some disagreed with the method employed in protecting ‘perceived’ threats to indigenous rights. A militant section of the Maoris expressly declared their support to defend indigenous Fijian rights in their homeland against the outsiders or ‘foreigners’.

The US, Australia, UK, and New Zealand temporarily suspended their military and economic aid but refused to impose tough economic sanctions. All the powerful and right people in the right places made the right noises, but in reality they were designed to placate Indo-Fijian concerns, just as much as they were aimed at manipulating the situation to justify the respective positions adopted by their countries. Despite calls for tougher sanctions from the Coalition forces in Fiji, the Hawke government decided against imposing any economic sanctions, justified on the basis that Fiji was already on the brink of economic destruction, although tokenistic travel bans on the coup-plotters and co-conspirators were put in place. In an obvious political manoeuvre in order

\(^{152}\) Sydney Morning Herald, 30 November 1987, p. 17.
to gain support for its anti-nuclear issues in French Polynesia, France announced the offer of a $14 million aid package to Fiji in December 1987. In fact, Gaston Flosse, French Minister of State for the South Pacific, met with Rabuka during his visit to Fiji on 14 August, on the pretext of presenting the Legion of Honour to the Fijian soldier Private Vukivuki for his services in Lebanon. Fearing its loss of influence and the vacuum created by its temporary withdrawal from the region, in response to French aid, by January 1988 (within seven months of the coup) Australia had lifted its suspension of a $20 million aid package to Fiji. It circumvented its dilemma of having to recognise an illegal regime by claiming it would henceforth recognise ‘states’ rather than ‘governments’. Australia came under sustained criticism within and outside Fiji for its decision but this failed to influence the British and New Zealand governments, who followed suit. On 16 February, the US also announced it was restoring its $1.3 million aid package and appointing an Ambassador to Fiji who was expected to take up the position the following month. By March 1988, Australia appointed Robert Cotton as its first Ambassador to Fiji. Following the appointment of Brigadier Ratu Epeli Nailatikau as Fiji’s first Ambassador to Britain in February 1988, Ratu Mara, accompanied by a team of military officers (Pio Wong, Dugu and four officials), left on a tour of South-East Asian countries (Korea, Taiwan, Malaysia and Indonesia), to seek new trading partners and military equipment for the RFMF. They reportedly held meetings at CINPAC headquarters in Hawaii. In March Mara was warmly received at Downing Street and held ‘friendly talks’ with Margaret Thatcher, who promised him Britain would resume training of Fijian military. Of course, Fiji’s commitment to the UN Peace Keeping Forces in the Middle East was not disrupted and all parties emerged triumphant and happy except the Indo-Fijians, whose future appeared to have been offered for trade for the second time by the same parties who had, directly or indirectly, engineered their transmigration and exploitation, and the extirpation of their rights some 108 years earlier.

The global reactions to the first two crises appeared to accommodate and satisfy most indigenous expectations. The UN and Commonwealth were exposed for their ineffectiveness and impotency in dealing with regional crises. The US, Britain and regional powers manipulated their position to safeguard their broader economic or strategic interests in the region, by imposing limited sanctions. Fiji’s expulsion from the Commonwealth wasn’t a great blow as it was re-admitted after a short period of suspension. The SPF (later PIF) galvanised its support behind Fiji, and most islanders accepted the widespread but erroneous view that indigenous Fijians were being

153 Robertson & Tamanisau 1988, p. 127.
154 V. Lal 1990, p. 228.
155 ibid, p. 230.
oppressed in their own country. Due to the absence of any punitive measures, this pattern of coups, limited sanctions and cessation of aid, followed by full engagement and restoration of aid, was repeated with respect to all coups, until the fourth coup in December 2006. The fourth coup and its implications are not dealt with in this thesis; its underlying causes were different and it changed the country’s internal political dynamics. The Bainimarama regime has challenged the status quo established by the unseen order in Fiji, and it has set itself the ambitious task of restructuring the Fijian polity in order to establish a new direction for its future. It has also come under severe criticism from the regional powers but, for now, the assertiveness of the military regime that has challenged the dynamics of the realpolitik is increasingly viewed with great concern in the region.

In pre-coup Fiji, as in most Western capitalist countries, a dominant ‘power bloc’, represented by a powerful stratum of TNCs, institutions of the establishment and the preferred ruling elites, exercises real and formidable power. In postmodern capitalist societies, power is exercised through indirect psychological and cultural control of the masses, rather than direct political coercion. Concentrations of this power emanate from the boardrooms of TNCs, the pretentiousness of corporatised media, the manipulation of socio-political agenda by the powerful clergy, and the self-aggrandising bureaucracies; hence, the marginalisation of the ‘moral minority’ and sporadic irruption of political jingoism with undercurrents of xenophobia, neo-racism and the melancholia of insularity.

In the 1980s a number of studies examined and demonstrated the global impact of TNCs and linked them to the control of the Fijian economy, including those of other Pacific Islands. As elsewhere in the regional ‘periphery’, this suggests trans-national corporations in Fiji continued to cast an invisible shadow over the evolution of political power in the twentieth century. The elusive nexus between corporate power and its ability to undermine democracy is real and is best summed up by Carey:

The twentieth century has been characterized by three developments of great political importance: the growth of democracy, the growth of corporate power, and the growth of corporate propaganda as a means of protecting corporate power against democracy.157

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Paying lip service to stated commitments to democratic ideals is a dangerous idea. In Fiji, there is an obvious caveat in relation to recent political developments affected by the sustained external intervention from the unseen order, which continues to subvert attempts to nurture democratic traditions at the expense of a disproportionate rise in corporate power and political influence. Nandan’s criticism remains relevant and valid because no nation can realise its full potential by managing its affairs with a ‘fig leaf of democracy’.
Chapter 4

Asymmetric Development Strategies and the Influence of Unseen Order:
The Myth of Indo-Fijian Domination of the Fijian Economy

In contesting the underlying causes of the three coups, Chapter 3 focused on airing issues surrounding the duplicity of a continuing neoliberal hegemonic paradigm. It argued inter alia that the political power and the control of Fiji’s economy resided in the convenient invisibility afforded by the complex web of interdependencies created by socio-political networks and business relationships, in contrast to the emotionalism generated by the visible presence of Indo-Fijians and the equally visible small businesses they control.

In extending the central theme, this chapter rejects the idea of the domination of the Fijian economy by Indo-Fijians, and sets out to demonstrate that continued exploitation of the country’s resources by the TNCs, prior to and following independence, has been facilitated by the ruling indigenous Fijian elites and the non-indigenous corporate class, against the interests of the ordinary indigenous Fijians and the Indo-Fijians. By way of example, it then examines the establishment and development of the timber industry to demonstrate how a collectivist approach to indigenous Fijian engagement in commercial ventures operates to undermine its stated objectives. The approach to and the structuring of this key export-oriented industry reaffirms the imperfections of the indigenous Fijian administration and communal capitalism, which demand asymmetric allocation of resources to redress past mistakes but end up creating in-group asymmetry that enables sections of the indigenous Fijian elite, indigenous middle class or their professionals, in collaboration with the unseen order, to commandeer a greater share of national wealth against specific reformative measures targeted towards the ordinary indigenous Fijians.

Historically, the principal argument for lack of indigenous participation in capitalist corporate activities has been about perception and nuances, based on misleading interpretations of half-truths and embedded in complex ideological terrain. Strictly, it relates to the low level of independent involvement of ‘ordinary’ indigenous Fijians in sustainable commercial ventures. The regrettable levels of their engagement are attributable to a number of well-known factors, which are identified in a number of reports or studies.\(^1\) The colonialists were largely responsible for sabotaging indigenous entrepreneurship, but in post-colonial Fiji indigenous economic

development issues were window-dressed to camouflage the underlying structural
dysfunctionality of the highly-consensual indigenous Fijian society, which continued to operate
as a barrier to their productive involvement in corporate capitalism.

4.1. The Control of Resources by Indigenous Fijians and the Debate on Socio-Economic
Disparities

The on-going debate over real or perceived socio-economic grievances has been protracted,
disruptive, and adversely impacted attempts to promote socio-economic integration. It raises a
number of questions: are indigenous Fijians economically disadvantaged? If so, why are they,
given their control of some 90% of the land, prior claim to most natural resources, and the fact
that they have been the beneficiaries of a range of affirmative action programs since the mid-
1970s? Are Indo-Fijian commercial activities, developed independently, free from direct
government assistance, inhibiting indigenous Fijian economic engagement? To what extent are
Indo-Fijians disadvantaged by affirmative action programs and their limited access to key
economic resources? Are there other powerful interests that seek to influence the aspirations of
both indigenous Fijians and Indo-Fijians? The answers to these questions will help identify
major strands in the debate over economic grievances. The answers lie in understanding both the
interplay and convergence of a number of institutions established during the colonial period, to
utilise all key factors of production for the benefit of the colonists; and in evaluating how they
subsequently evolved to accommodate the competing interests of the dominant economic forces
that emerged within the framework of democratic institutions, at least up to the first coup of
1987. The circumstances beyond 1987 need to be understood in the light of limits imposed by a
changed political environment, foreign sanctions, the sporadic cessation of aid, military decrees
or rigidly-imposed policies, a breakdown of established institutions, and the more robust
indigenous Fijian demand for greater participation in the financial and commercial sectors; that
is, it requires a thorough reappraisal of the impact of the coups on the economy and post-coup
redistributive efforts to placate indigenous demands for greater participation in the commercial
life of ‘their’ country.

Although there were indications of inter-regional rivalries and simmering discontent among the
indigenous Fijians, dating as far back as the 1870s,² the more spirited challenge to European

² For example, the Colo-based Leweniwai and Navosavakadua’s Wainitu movement (Robertson & Tamanisau
1998, p. 7) armed popular uprisings in central Viti Levu in 1876 and Seaqaqa in 1882 and 1894, Dugumoi’s Tuka
movement (associated with Bai Tuba and Luveniwai), the Bula Tale Communist Party or the Dru-ni-lami, Ratu
Emosi of Daku’s New Jerusalem and Sairusi Nabogibogi’s Salemi movements (Durutalo 1986, p. 2).
economic domination and the complicity of the ruling chiefs emerged in 1912, when Apolosi Nawai formed the Viti Kabani (Fiji Company) to entice indigenous Fijians into directly engaging in commercial activities. His challenge was expertly manipulated and suppressed by the colonial order to counter perceptions of European dominance. Any stirring of indigenous angst against Europeans was replaced within a few decades by the apprehension of threats posed by Indo-Fijians, initially promoted by the Europeans but from about the mid-1940s more forcefully articulated by the nationalistic indigenous Fijians. With the dawn of independence, perceptions of economic disparity and threats from Indo-Fijian domination heightened tensions between dominant ethnies and came to be viewed with greater anxiety by the indigenous nationalists.

A number of commentators have explored indigenous Fijian concern about their lack of economic advancement but Sutherland in particular, in reexamining the reasons for the lack of success enjoyed by indigenous Fijian entrepreneurs, has strongly argued that:

At the heart of the ‘Fijian’ question is a longstanding indigenous Fijian concern about their economic backwardness. As early as 1959 an inquiry into the economic problems and prospects facing the indigenous Fijian people identified the root causes as the indigenous Fijian communal way of life and the system of ‘Fijian Administration’ instituted by the colonial state.

There are two other aspects of the Fijian question which will be considered in Chapter 7, but the findings of the Spate Report to which Sutherland referred, and the 1960 Burns Report in concurring with the former, explained indigenous economic grievances in terms of their ‘leisurely’ lifestyle, lack of entrepreneurial skills and financial discipline, their subsistence economy, acceptance of communalistic rather than individualistic values more suited to the capitalist economy, and their over-commitment to traditional values. It is open to speculation whether the indigenous leadership gave sufficient attention to the findings of both reports, but some efforts were invested in ameliorating the economic well-being of indigenous Fijians, by way of a number of affirmative action programs commenced in the mid-1970s, as detailed under Section 4.2 below. Many observers concede that the colonial institutions held back indigenous Fijian economic progress, and the Fijian administration system created a Manichean system of dependency and expectation, unable to be deracinated by the policies adopted by successive Mara governments in the years immediately following independence. In fact, the various affirmative action programs since independence compromised an integrated national

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5 Sutherland 2000, p. 206.
development strategy, whilst continuing to feed indigenous expectations and communal inertia, ultimately proving detrimental to their own ability to compete in an increasingly complex, interdependent and globalised economic environment, ushered in by the policies of neoliberalism in the 1990s.

In the first decade after independence, Fiji’s economic performance was reasonably enviable as it consistently achieved a growth rate of 5.2% of GDP. Not everyone, however, shared in the early period of relative prosperity and stable government. Fiji had a per capita GNP in 1997 of US$2,470, which the World Bank saw as a lower-middle income of a developing country; and its non-financial developmental indicators were quite impressive, with an average life expectancy of 72 years, infant mortality of about 22 per thousand, adult literacy rate of 91%, a high level of social development, and an overall country ranking of 46 in terms of the UN Development Program’s 1997 human development index.

The Mara governments’ stewardship of the country, in the early 1980s, encountered a succession of crises, including drought, cyclones, the residual impact of the 1979 oil price increase, and unforeseen fluctuations in the global market price for sugar. The overall impact of these factors, which were outside the control of the government, was quite severe. As a result of this:

…real GDP growth dropped by 1.2 per cent per annum during the period between 1982 and 1986; over the same period, real per capita GDP contracted by 0.7 per cent per annum. As might be expected, the stagnation of output was accompanied by increasing fiscal imbalance: the fiscal deficit rose from 5.3 per cent of GDP during the period between 1971 and 1981 to 6.1 per cent during the period 1982 to 1986. Foreign debt also continued to grow. Foreign debt as percentage of gross national product (GNP) rose from 28.6 per cent at the end of 1982 to 32.4 per cent by the end of 1986.

Despite these statistics, at the time of independence in 1970 through to the first coup, Fiji was not a poor country by developing world standards. By 1970 Fiji’s GDP per capita was ‘greater than that of any Asian country except Japan and Singapore…about three times that of India…and nearly twice that of Thailand.’ This view was reinforced in 1984 (three years prior to coup culture taking hold), when the Fiji Employment and Development Mission (FEDM) observed that ‘there can be little doubt that there are very few countries in the developing world

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7 Sutherland 2000.
8 Akram-Lodhi 2000, p. xii.
9 Sepehri & Akram-Lodhi 2000, p. 76.
10 Fisk 1970, p. 11.
today that enjoy Fiji’s combination of relative prosperity, social harmony and freedom from repression.”\textsuperscript{11} The per capita income in 1983 stood at US$1,790, compared with an average of US$1,500 for middle-income developing countries. At the time Fiji was not heavily aid-dependent by the standard of micro-states, receiving only US$49 per head of population compared with a regional average of US$176 in 1983.\textsuperscript{12} The FEDM report of 1984 was predicated on the expectation that ‘despite real development difficulties to be met, this heritage would be preserved,’ but within a few short years Rabuka managed to radically change the political and social landscape of the country.

It was against the backdrop of this economic outlook and expectations that within 17 years after independence serious fissures emerged in the Fijian polity. Some observers had predicted the potential for social and political disruptions as indigenous nationalism began to be forcefully restated in the mid-1970s; this was when nationalist politician Sakiasi Butadroka demanded the expulsion of Indo-Fijians from Fiji. When the results of the 1977 elections revealed that the NFP had won, it caused great anguish amongst the indigenous Fijians, especially among the ruling elites. The next election in 1982 was marred by allegations of US/Australian involvement in assisting Mara to hold on to power. However, when Mara lost again in 1987 the worst fears of the indigenous nationalists were realised. The 1987 coups had a profound impact across all industries and the economy could have done without any form of shock therapy at a crucial stage of its development. The emerging ethnonationalism brought into the open perennial indigenous Fijian grievances (the Fijian question), with respect to their economic backwardness and lack of capital, the perceived threats to their native land leases, and their underachievement in education.

Recent efforts by the Asian Development Bank to locate the specific structural and environmental issues that constrain economic development in Fiji noted that over the last 20 years (broadly since the first coup the country’s economy ‘performed poorly,’ with an average growth rate of 2.3% and investment averaging some 12% of GDP – with one exception in 2004 when it reached 16%.\textsuperscript{13} It highlighted a number of constraints that preclude small states like Fiji from realising their true potential: the high cost of doing business, poor quality infrastructure (roads, inter-island transport, air services, utilities), high cost of telecommunications (phone, faxes, mobile phones, internet services), high costs of travelling and accommodation, and legal and financial services, plus the extensive regulatory regime and red tape, high port and freight

\textsuperscript{11} Knapman 1987, p. 1.
\textsuperscript{12} Robertson & Tamanisau 1998, p. 185.
\textsuperscript{13} ADB Report 2005, p. 1.
charges, and nominal rate of corporate tax, which is considered quite high at 31%.\(^{14}\) In addition, it has been argued that government policies of import substitution and domestic self-sufficiency have contributed to conditions of stagnant economies,\(^{15}\) as do special factors that contribute to economic problems faced by all small island economies of the South Pacific, including Fiji: remoteness from main markets, dependency on a limited range of primary produce for exports, over-reliance on tourism industry, often subject to volatile conditions beyond government control, reliance on foreign remittances and transfer payments (MIRAB economy), and vulnerability or frequent exposure to natural disasters.\(^{16}\) Furthermore, there are some problems unique to Fiji and other PICs: smallness, limited or underdeveloped technical capacity, volatile export markets, scarcity of natural resources, restricted opportunities for comparative advantage in the global economy and, significantly since the 1980s, political instability and poor governance (Appendix I).

In the context of inter-ethnic conflicts, various studies have concluded that there is very little, if any, economic disparity between the indigenous Fijians and Indo-Fijians.\(^{17}\) Horizontal inequalities have been noted as being in-group rather than inter-group. The poorest are in fact Indo-Fijians and their conditions have significantly deteriorated since the coups, through lack of access to land or resources forcing many into squatter settlements.\(^{18}\) Since independence, despite a range of specific affirmative action programs to assist the indigenous Fijians, the discourse on socio-economic grievances still holds two dominant schools of thought. The first contends that rampant inter-ethnic stereotyping exists. In terms of this analysis it is argued that indigenous Fijians perceive Indo-Fijians as too greedy\(^{19}\) (kocokoco), deliberately or cunningly devising strategies to economically dominate indigenes and other races. Conversely, it is suggested that Indo-Fijians view indigenous Fijians as too laid-back, with a handout mentality (kerekere) and averse to progressing beyond their collectivist lifestyle; this is seen as contributing to a perceived inability to compete in a hostile economic environment, exacerbated by competitive pressures of neoliberalism. The second view holds that competing class interests create conflicts between the ruling elites (chiefs and oligarchs), allied with the Indo-Fijian corporate class against the grassroots indigenous Fijians and the Indo-Fijians.\(^{20}\) But there are other forces at play and, in 1986, the late Simione Durutalo alluded to the possibility of upheavals in the neocolonial state.

\(^{14}\) ibid.
\(^{15}\) Tschoegl 2003.
\(^{16}\) ibid.
\(^{17}\) Sriskandarajah 2003.
\(^{19}\) Ravuvu 1991; Durutalo 1986.
and anticipated the 1987 coup empowering indigenous Fijians to reaffirm their ethnic solidarity and the paramountcy of indigenous Fijian interests. This researcher, while accepting the legitimacy of both positions, takes the view that the significance of both may be exaggerated, for such stereotypes exist in all multi-ethnic states, and groups compete for survival or align themselves with other groups in society to remain competitive, thereby producing inevitable frictions. These explanations however discount the underlying difficulties of island micro-states, like Fiji, to establish and revitalise small business ventures appropriate to their operating environment; and to move away from dependency on foreign aid, FDI or an over-reliance on globalist template in order to attract development capital from abroad, which is harder to access locally due to their geographic isolation. That is to say, recognition of some form of economic relativism is desirable. Accordingly, as argued by various commentators, a revised set of fundamental constraints on Fijian economy can be isolated in relation to five specific areas:

<table>
<thead>
<tr>
<th>Table 4.1: Developmental Constraints on the Fijian Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Environmental</strong></td>
</tr>
<tr>
<td>Smallness in terms of size and market</td>
</tr>
<tr>
<td>Geographically isolated and dispersed across a number of small islands</td>
</tr>
<tr>
<td>Vulnerability to natural disasters</td>
</tr>
<tr>
<td>Uncontrollable global market fluctuations</td>
</tr>
<tr>
<td><strong>2. Structural</strong></td>
</tr>
<tr>
<td>Reliance on narrow productive capacity</td>
</tr>
<tr>
<td>Dependency on a few primary products</td>
</tr>
<tr>
<td>Susceptibility to volatile substitute industry like tourism</td>
</tr>
<tr>
<td>Limited scope for diversification due to lack of know-how and skills</td>
</tr>
<tr>
<td>Over-reliance on imports, overseas markets and foreign aid</td>
</tr>
<tr>
<td>Inadaptability to diffuse market inefficiencies</td>
</tr>
<tr>
<td>Limited purchasing power</td>
</tr>
<tr>
<td><strong>3. Political</strong></td>
</tr>
<tr>
<td>Sham economic or political independence</td>
</tr>
<tr>
<td>Chronic instability, corruption and poor governance</td>
</tr>
<tr>
<td>Retention of inappropriate colonial institutions inhibiting progress</td>
</tr>
<tr>
<td>Ineffective leadership incapable of diffusing inter-ethnic conflicts</td>
</tr>
<tr>
<td><strong>4. Infrastructural</strong></td>
</tr>
<tr>
<td>Inadequate or deteriorating infrastructure</td>
</tr>
<tr>
<td>Exorbitant transport or trans-shipment costs resulting in poor delivery services</td>
</tr>
<tr>
<td><strong>5. Financial/Technical</strong></td>
</tr>
<tr>
<td>Underdeveloped financial market and scarcity of local capital</td>
</tr>
<tr>
<td>Limited access to credit, technology and training on financial market</td>
</tr>
<tr>
<td>Banking system’s inability to satisfy the needs of non-expatriate entrepreneurs</td>
</tr>
<tr>
<td>Exorbitant cost of accessing legal, financial or other expert advice</td>
</tr>
<tr>
<td>Lack of investment capital or seed money</td>
</tr>
</tbody>
</table>


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The Hailey study examined the findings of a report commissioned by island governments. It was based on over five hundred interviews in seven island states, to examine the contribution of small businesses in the development of island economies of the South Pacific. It established that the full potential for businesses is yet to be realised and that the entrepreneurs faced lack of access to finance through the banking system. Although the banks were adequately resourced and funded, they failed to meet the needs of the non-expatriate small business community. The majority had no access to financial support through the formal banking system, and remained dependent on family ties, local goodwill or local non-bank sources (such as private savings or moneylenders) to secure seed funding. Consequently, their operational capacity could not be expanded; businesses remained under-capitalised, without the ability to expand their assets or fund organic growth. The persistent liquidity problem is all too noticeable in sub-standard business premises in poor locations, inability of firms to undertake effective marketing or promotional activities, and the constant mitigation of any expansion plan for businesses.

Recent studies place continuing emphasis on communalism and the negative attitude to modernity among indigenous Fijians, as factors undermining their ability to save and be good managers of their personal finances. Indo-Fijians are perceived as better able to secure start-up capital, as a result of their financial prudence and family involvement providing an entrée into the banking system. They are generally less constrained by obligations or commitments to extended families or communities. Unlike indigenous Fijians, they do not suffer from lack of fiscal discipline and are well-regarded for their strong work ethics. Most Indo-Fijians developed their businesses independently without any special treatment or direct assistance from government, despite historically suffering more discrimination from whites than the indigenous Fijians. So why can’t indigenous Fijians emulate Indo-Fijian successes or make right choices, given they have been variously encouraged, especially since independence, as well as being the recipients of generous government assistance through an assortment of affirmative action programs? One reason is that the banking system enforces the same criteria for lending, regardless of ethnicity, and many indigenous Fijians invariably fail to qualify for loans – although this has now been largely addressed by the discriminatory lending criteria in favour of indigenous Fijians, established through the FDB. Their collective landholding through the NLTB is another major inhibitor of their progress in commerce, for it undermines their individual entrepreneurship. The bankers generally complain about the viability of commercial propositions lodged, poorly documented applications or overly-ambitious uncosted proposals. The non-expatriate borrowers privately complain about lack of support from frontline foreign banks due to conservative lending practices and risk management in offshore jurisdictions such as Fiji. In
their overseas branch operations, limits exist on the lending guidelines issued to local managers from their Head Offices, after careful evaluation of political risk, market risk, exchange risk, and other environmental risk factors. It is a mistake for the nationalists/Taukeists to equate indigenous political hegemony to a necessary precondition for the removal of their economic backwardness, or automatic stimulation of national economic growth. On the contrary, historical evidence indicates that their political domination through the Alliance government for seventeen consecutive years failed to deliver ‘economic manna…from heaven.’

Ironically, ethnonationalism in validation of the coups hurts mostly the ordinary indigenous Fijians, whom the political rhetoric claims to empower but in a competitive economic environment fails to support. However, the coups have largely helped one section of the indigenous community: the emerging indigenous mercantile bourgeoisie. Their growing strength will soon rival a similar group: the almost exclusively Gujarati corporate class amongst the Indo-Fijians, who control most of the commercial activities attributed to the Indo-Fijians. Collectively, these factors explain the failure of an incremental ‘trickle down’ impact of various affirmative action policies on the success of ordinary indigenous Fijians in commercial or financial sectors in post-coup Fiji. Indigenous Fijian envy of the success of sections of the Indo-Fijian community will not solve their problems, because the latter instituted neither colonial nor post-colonial failed policies inhibiting indigenous economic progress.

Table 4.2 indicates Fiji’s major industries and their economic performance, in terms of the contribution of exports to the national revenue in the period following the third coup. The most compelling statistic relates to a severe decline in the three major past export earners. In 2007, sugar, garments and gold accounted for approximately 14%, 12% and 0.3% of export income respectively, compared with 27%, 26% and 8% in 2002. They represent substantial decrements for which no substitutes have been found as yet. Two reasonably well-performing sectors of the fishing and timber industries are controlled by indigenous Fijians. Commodification of water in Fiji is becoming a growth industry and the largest supplier, ‘Fiji Water’, is controlled by American interests, which developed it as a major brand in North America. A number of small Indo-Fijians companies are becoming active in the industry, which is largely export-oriented. As shown in Table 4.2, between 2002 and 2007 the industry recorded impressive growth.

In the following two subsections the indigenous control of the timber industry, in conjunction with TNCs, is examined. Apart from reaffirming their ownership and effective control, the analysis further debunks the myth that there has been inadequate support to encourage

indigenous Fijians to engage in commercial activities. It highlights the growing collective participation of indigenous Fijians in commercial activities, with only peripheral Indo-Fijian participation in the timber industry; yet it still leaves the impression that the former remain marginalised. Other than timber, the tourism, sugar and fishing industries are indigenous Fijian-dominated and controlled. There is sufficient evidence that, augmented by an array of affirmative action programs, indigenous Fijians have substantially increased their stake in the national wealth, indicating that they have overcome some of the underlying causes of their economic backwardness. Across all major industries, however, the lack of preparedness on the part of indigenous leadership to confront trans-national corporate domination, exploitation and unsound practices remains incomprehensible against race-centric explanations for the conflict, based on erroneous perceptions of Indo-Fijian proclivity to dominate and control commercial activities.

Table 4.2: Major exports 2002 to 2007 – percent

<table>
<thead>
<tr>
<th>SITC product</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar</td>
<td>26.8</td>
<td>23.6</td>
<td>22.0</td>
<td>26.4</td>
<td>25.8</td>
<td>14.2</td>
</tr>
<tr>
<td>Clothing</td>
<td>25.5</td>
<td>25.4</td>
<td>23.8</td>
<td>14.2</td>
<td>11.4</td>
<td>11.7</td>
</tr>
<tr>
<td>Textiles, yarns and made up articles</td>
<td>0.9</td>
<td>0.7</td>
<td>0.7</td>
<td>1.5</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Molasses</td>
<td>1.4</td>
<td>0.7</td>
<td>1.0</td>
<td>1.2</td>
<td>2.3</td>
<td>1.2</td>
</tr>
<tr>
<td>Gold</td>
<td>7.8</td>
<td>8.0</td>
<td>9.3</td>
<td>7.0</td>
<td>5.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Timber, cork and wood manufactures</td>
<td>4.5</td>
<td>3.2</td>
<td>4.4</td>
<td>5.3</td>
<td>4.5</td>
<td>5.8</td>
</tr>
<tr>
<td>Woodchips</td>
<td>2.8</td>
<td>1.6</td>
<td>2.1</td>
<td>2.8</td>
<td>1.6</td>
<td>3.3</td>
</tr>
<tr>
<td>Plywood</td>
<td>0.4</td>
<td>0.3</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Footwear and headgear</td>
<td>2.4</td>
<td>2.1</td>
<td>2.0</td>
<td>1.0</td>
<td>0.5</td>
<td>0.3</td>
</tr>
<tr>
<td>Fish</td>
<td>9.0</td>
<td>8.3</td>
<td>8.6</td>
<td>9.8</td>
<td>11.7</td>
<td>12.2</td>
</tr>
<tr>
<td>Canned</td>
<td>0.6</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Fresh</td>
<td>6.5</td>
<td>6.9</td>
<td>6.7</td>
<td>8.0</td>
<td>9.9</td>
<td>10.1</td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td>2.0</td>
<td>2.5</td>
<td>3.3</td>
<td>3.4</td>
<td>3.9</td>
<td>4.3</td>
</tr>
<tr>
<td>Dalo</td>
<td>1.3</td>
<td>1.6</td>
<td>2.0</td>
<td>2.2</td>
<td>2.5</td>
<td>2.9</td>
</tr>
<tr>
<td>Yaqona</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Copra</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
<td>..</td>
</tr>
<tr>
<td>Coconut oil</td>
<td>0.7</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td>0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>Mineral water</td>
<td>3.3</td>
<td>4.8</td>
<td>5.5</td>
<td>8.0</td>
<td>10.4</td>
<td>12.7</td>
</tr>
<tr>
<td>Coral and similar materials</td>
<td>0.6</td>
<td>0.6</td>
<td>0.9</td>
<td>1.0</td>
<td>1.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Ginger</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.8</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Flour</td>
<td>0.6</td>
<td>0.5</td>
<td>0.9</td>
<td>1.1</td>
<td>1.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Canned meat of bovine animals</td>
<td>0.6</td>
<td>0.8</td>
<td>0.7</td>
<td>0.9</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Uncooked pasta</td>
<td>0.9</td>
<td>..</td>
<td>1.1</td>
<td>1.4</td>
<td>1.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Sweet biscuits</td>
<td>0.1</td>
<td>0.1</td>
<td>1.0</td>
<td>1.6</td>
<td>2.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Folding cartons, boxes and cases</td>
<td>1.2</td>
<td>1.3</td>
<td>1.3</td>
<td>1.2</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Other</td>
<td>10.8</td>
<td>14.0</td>
<td>12.2</td>
<td>13.4</td>
<td>13.8</td>
<td>17.9</td>
</tr>
</tbody>
</table>

.. Not available.

All emphasis added are author’s.


4.1.1. The Pine Forest Scheme – Indigenous-Controlled Softwood

In order to rehabilitate degraded grasslands and contain soil erosion in the late 1950s, the government commenced well-organised, large-scale softwood timber plantations and, by 1982, Fiji had some 32,000 hectares of pine forests (Pinus caribaea) situated on the western side of the main island of Viti Levu. Today there are some 40,730 hectares under pine forests.\(^\text{24}\) By 1980 some F$28 million had been spent in developing pine forests; this was largely taxpayer-funded (F$21.6 million), with a partial contribution from a New Zealand government aid scheme (F$6.3 million), plus a loan from the CDC (F$5 million), which was expected to be repaid with interest after the commencement of mature tree harvesting (scheduled for 1983).\(^\text{25}\) In another example of disproportionate allocation of aid funds for indigenous Fijians, the Mara government supported the industry to develop a platform for boosting indigenous Fijian participation in commercial activities.

As the plantations matured, the government passed the 1976 Fiji Pine Commission Act, establishing the Fiji Pine Commission (FPC) to facilitate the overall development of the industry, in anticipation of the harvesting, processing and marketing of timber with the co-operation of the landowners and the Fiji Forestry Department. Constrained by lack of local know-how, the FPC called for and received a total of four proposals from foreign corporations to deliver timber to the market: British Petroleum (BP) Southwest Pacific Ltd., the M.K. Hunt Foundation, United Marketing Company (UMC), and Shell-NZ Forest Products.\(^\text{26}\) BP’s bid was successful as it had cultivated close ties with the ‘eastern maritime chiefs’ over-represented in the Mara government, enabling BP to establish a joint venture called Forest Development Service Limited (FDSL) with the Fijian government, in order to process and market the harvested pine forests.\(^\text{27}\)

There are uncanny parallels in the circumstances surrounding the acceptance of the BP proposal by the Mara government with those of the awarding of the mahogany harvest proposal by the Chaudhry government to the Commonwealth Development Corporation (CDC). The Mara government’s choice was influenced by the flexibility of the arrangement offered by BP, together with the management strategy for the industry, in accordance with the government’s desire to centralise control over the industry; it saw this as a necessary stepping-stone for the


\(^{25}\) Lal 2006, p. 44.

\(^{26}\) ibid.

\(^{27}\) ibid.
indigenous Fijians to engage in commercial enterprises.\textsuperscript{28} The Mara government’s choice attracted criticism for its lack of transparency, fostering not only economic dependency through its reliance on a trans-national to exploit a scarce resource, but also criticisms that BP was taking advantage of an existing monopoly and bypassing the need to do some value-adding in Fiji.\textsuperscript{29}

It spurred the western landowners into action, as their preference was for an alternative proposal submitted by UMC, another American company controlled by a colourful businessman, Paul Sandblom; this promised greater involvement at all levels within the industry, greater recognition of landowner rights and increased profit share.\textsuperscript{30} A prototypical carpetbagger, Sandblom had prior convictions for fraud in the US and he failed to impress both FPC and the Mara government, which declared him a prohibited immigrant.\textsuperscript{31} Not unlike Marshall Pettit’s involvement in the mahogany plantation, his relationship with the landowners had wide political ramifications prior to the 1982 election. The government decision had escalated into a dispute between the FPC and the landowners, led by Ratu Osea Gavidi, who had established a political party (the WUF) on 17 July 1981 to represent their interests; within a few months (on 11 January 1982), Gavidi forged a NFP-WUF Coalition, representing western indigenous Fijians disaffected with the Alliance Party and a predominantly Indo-Fijian political party (NFP), ideologically opposed to the ruling indigenous Fijian oligarchy. It was a real milestone in Fiji’s ethno-politics, but as the Carroll Report (see Section 2.4) was to subsequently reveal, Ratu Gavidi became a threat to the paramountcy of eastern chiefs linked to the unseen order, and he was unfairly targeted for prosecution in order to frustrate his candidature. Carroll’s advice to the Alliance Party paid off because Gavidi lost the 1982 election and the recriminations that followed were never fully resolved.

As noted by Durutalo, Gavidi was partly motivated by the desire to break the monopoly in Fiji’s forest industry, controlled since 1964 by an Australian company, Westralian Forest Industries (WFI). Its operating entity, Fiji Forest Industries (FFI), was a joint venture between WFI and powerful chiefs, and the FFI monopolised timber concession in Vanua Levu. WFI had a majority interest in FFI (60%) and the balance (40%) was owned by CBM Holdings Limited, representing the interests of Cakaudrove, Bau, and Macuata provinces led by the Deputy PM, Ratu Penaia Ganilau. In the early 1980s, in opposition to western landowners’ wishes, the FFI and Kabuna Holdings Limited (KHL) entered into another joint venture, in a strategic move to effectively

\textsuperscript{28} Durutalo 1984.
\textsuperscript{29} Durutalo 1982.
\textsuperscript{30} Lal 2006, p. 44.
\textsuperscript{31} ibid; V. Lal 1990, p. 70.
monopolise logging of timber in Fiji (Appendix D). KHL was under the control of the Cakobau faction, linked to the first local Governor-General, Ratu George Cakobau; significantly, its participation in the venture was underwritten by Australian government aid to the tune of $1.8 million. To the NFP/WUF coalition and the landowners it seemed like the government was reacting to the discredited recommendations of the Carroll Report, one of which was that the Kabuna faction be brought closer to the ruling oligarchy dominated by the Mara and Ganilau factions.\(^{32}\) In addition to the former Governor-General, Ratu George Cakobau, other prominent individuals were associated with this venture: Josefata Kamikamica (Chairman of NLTB), Jim Ah Koy (MP), C.J. Cruikshank, and Ratu Epeli Kanaimawi (a member of CBM Holdings Limited).\(^{33}\)

After the first coup, the incoming Rabuka governments enthusiastically adopted the agenda of economic rationalism committed to privatisation, and by January 1991 the pine industry was restructured. The FPC was corporatised by establishing a public company, Fiji Pine Limited (FPL), jointly-owned by the Fiji government and the Fiji Pine Trust (FPT) representing the interests of the landowners, which brought stability but not viability to the industry. The restructuring centralised ownership and control of pine industry by the indigenous Fijians via FPT, which is entrusted to ultimately transfer ownership to the landowners. Currently, FPL has set a modest rate of return (3%) on its investments in growing and processing of softwood timber.\(^{34}\) Through its wholly-owned subsidiary Tropik Wood Industries Limited (TWIL), it operates saw-milling and chip-milling facilities at Drasa, Lautoka. TWIL in turn owns and operates integrated saw-mill and chip-mill facilities through its subsidiary companies: Fiji Forest Industries Limited (FFIL) at Malau, Labasa, and Tropik Wood Products Limited (TWPL) at Wairiki, Bua. It also owns a diversified power generation plant at Nadi, called Tropik Energy Limited (TEL), producing power from the by-products of saw mill and chip mill.\(^{35}\)

Since the inception of the industry the government has provided considerable financial assistance, including mediation efforts to resolve landowner grievances, but the industry has languished due to general mismanagement and corruption. For example, in 1988, the Minister of Finance, Ratu Jone Kubuabola, was relieved of his duties as Chairman by the interim government for dereliction of duty, as were two other board members, Konisi Yabaki (Managing

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\(^{32}\) Howard 1983, p. 272.

\(^{33}\) Robertson & Tamanisau 1988, p. 17.

\(^{34}\) George Vuki’s interview with the CEO of FPL <www.fijitimes.com/>, 9 July 2007, viewed 9 January 2009.

\(^{35}\) Ibid.
Director) and Navitalia Naisoro. Under the Chairmanship of Ratu Jone, the pine forest plantation had suffered chronic neglect; vast areas were not replanted, pruning was not carried out, and weeding or thinning had been overlooked, resulting in production of poor quality timber thought to be unsuitable for marketing. In another blow to FPL, Naisoro was appointed consultant to FPL in an alleged scam, and received consultancy fees of F$68,000 between October 1997 and December 1998; the fees were authorised by both Ratu Jone and Yabaki without prior approval from the Board, which reacted angrily upon discovery of an additional advance of F$22,000 to Naisoro in December 1988. To compound the recklessness, Naisoro had drawn up a service contract for Yabaki to continue as Managing Director, on a performance-based package of F$60,000 for every million dollar consolidated group profit after tax or proportion thereof. As part of the arrangement, he was to be advanced F$90,000 annually, payable monthly in advance, with the provision for its repayment at the end of each financial year. The lawyers acting for Fiji Pine, Young and Associates, condemned the document as fraudulent, claiming that Ratu Jone and Yabaki must have colluded in executing the service contract, because the advances were ‘unsecured’ and constituted a ‘loan’ in breach of the Companies Act. The advances were allegedly fraudulent and totally unjustified as FPL was reporting losses every year, yet the performance-based arrangement envisaged payments to Yabaki by accessing profits generated by a subsidiary company, Tropik Wood Industries Limited. The lack of management discipline and fiscal irresponsibility of the Chairman and Board members were typical of the excesses witnessed as crony capitalism and pursued in the aftermath of the Rabuka coups. The challenges within the industry remained as the next Chairman of FPL, George Speight, was also terminated for misconduct in 1999 by Poseci Bune, the Agriculture Minister in the short-lived Chaudhry government. Speight’s later involvement in the 2000 putsch is well-known and has been dealt with in Chapter 3. In a bizarre turn of events, but one quite characteristic of revolving-door Fijian politics, Yabaki was appointed the Minister for Fisheries and Forests by Qarase without regard to his prior involvement, which brought the industry back under his control.

These episodes highlight the difficulties of managing personal ambitions, greed and strategic appointments in state-owned enterprises. The political will, good intentions and vast amounts spent by taxpayers to support the indigenous landowners have failed to provide adequate payback and the industry is yet to deliver on its promises. However, the commercialisation of the

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37 ibid.
38 ibid.
39 ibid.
pine industry and the privatisation of its operation through FPL did facilitate the entry of some 24,000 indigenous Fijians as potential partners. The foregoing analysis provides confirmation that the softwood timber industry has been firmly under the control of indigenous Fijians, who not only own most of the lands on which the plantations are located, but also have effective control of Fiji Pine Limited in partnership with the Fiji government. The initial rental payments to the mataqalis were tokenistic, bordering on exploitation: they were entitled to $1.25 cash grant per acre, plus 10 cents per acre per year on land not subject to plantation, and 50 cents per acre per year on land that had been planted. They were also entitled to the greater of 3% of the stumpage value of the land or $1 per acre for each year of crop rotation. Today, most of the plantations stand on NLTB lands (91%) with minimum 60 year leases, and the rest on crown land (9%). The company leases 85,342 hectares from some 24,000 landowners who are now collectively entitled to total rental receipts of some $800,000 annually. The commercial annual harvesting rate for pine is expected to reach about 450,000 cubic metres and 150,000 cubic metres for other native forests. In countering notions of economic backwardness, the indigenous Fijians linked to the industry derive income from four sources: dividends, royalties, rental on lands leased to the company, and through wages and salaries derived from employment with FPL. The pine scheme has enormous export potential and, if properly developed and managed, it can serve as a lucrative source of wealth generation for the indigenous Fijians. In terms of foreign aid, the New Zealand government has been instrumental in the development of the industry and provided substantial aid and technical assistance to ensure success of the pine plantations. NZAid ceased its contribution, however, after the first coup.

4.1.2. Mahogany Plantation – Indigenous-Controlled Hardwood

Over the past forty years, without private sector participation, the Forestry Department successfully established some 50,712 hectares (125,312 acres) of commercial grade hardwood forests, most notably mahogany (swietenia macrophylla). Despite initial developmental constraints the project proved successful, and the FAO estimates that Fiji will be a major source of reforested mahogany timber in the future.

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41 Fiji Sun, 30 November 2005, p. 1.
Table 4.3: Location of Mahogany Plantation

<table>
<thead>
<tr>
<th>VITI LEVU</th>
<th>VANUA LEVU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nukurua</td>
<td>Dreketi</td>
</tr>
<tr>
<td>Galoa</td>
<td>Korotari</td>
</tr>
<tr>
<td>Naboutini</td>
<td>Navonu</td>
</tr>
<tr>
<td>Nadarivatu</td>
<td>Nararo</td>
</tr>
<tr>
<td>Colo I Suva</td>
<td>Saqani</td>
</tr>
<tr>
<td>Baravi</td>
<td>Wainunu</td>
</tr>
<tr>
<td>Nausori Highlands</td>
<td>-</td>
</tr>
<tr>
<td>Sawakasa</td>
<td></td>
</tr>
</tbody>
</table>


Currently, the hardwood plantations are spread across the main islands of Viti Levu and Vanua Levu, as detailed in Table 4.3. Fiji has an estimated 1.83 million hectares of forest cover, in total of which 48% (815,000 hectares) are natural forests.\(^{44}\) There were some 99,488 hectares of cultivated or plantation forests: pine (40,730 hectares) and mahogany (58,758 hectares),\(^{45}\) with a total leased area of about 70,000 hectares (Table 4.4).

Table 4.4: Leases Types and their Tenure

<table>
<thead>
<tr>
<th>Lease Term (yrs)</th>
<th>No. of Leases</th>
<th>Total Area (ha)</th>
<th>% of Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>99</td>
<td>23</td>
<td>24,971.3</td>
<td>36.4</td>
</tr>
<tr>
<td>90</td>
<td>1</td>
<td>616.3</td>
<td>0.9</td>
</tr>
<tr>
<td>86</td>
<td>1</td>
<td>2.2</td>
<td>0.0</td>
</tr>
<tr>
<td>75</td>
<td>2</td>
<td>42.0</td>
<td>0.6</td>
</tr>
<tr>
<td>60</td>
<td>1</td>
<td>1,102.4</td>
<td>1.6</td>
</tr>
<tr>
<td>55</td>
<td>1</td>
<td>228.6</td>
<td>0.3</td>
</tr>
<tr>
<td>50</td>
<td>51</td>
<td>29,679.2</td>
<td>43.3</td>
</tr>
<tr>
<td>30</td>
<td>2</td>
<td>1,965.2</td>
<td>2.9</td>
</tr>
<tr>
<td>25</td>
<td>1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>10</td>
<td>1</td>
<td>50.6</td>
<td>0.1</td>
</tr>
<tr>
<td>Forest Res. Leases</td>
<td>3</td>
<td>4,760.8</td>
<td>6.9</td>
</tr>
<tr>
<td>Crown Grants</td>
<td>3</td>
<td>797.6</td>
<td>1.2</td>
</tr>
<tr>
<td>Crown Land</td>
<td>5</td>
<td>4,011.4</td>
<td>5.8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>95</td>
<td>68,227.7</td>
<td>100</td>
</tr>
</tbody>
</table>


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\(^{44}\) Oyowe 2002, p. 10.
Most mahogany plantations have been developed on native land subject to NLTB leases (93%) and the remaining (7%) of leases are for Crown Land, Crown Grants and Forest Reserves, as shown in Table 4.4, with terms ranging from 10 to 99 years. Whilst the terms and conditions of the leases are mostly similar, unlike the sugar cane leases, the duration of the leases are for longer periods: forty-three percent (43%) of all leases are for 50 years and thirty-six percent (36%) of leases are for 99 years.\(^{46}\) The FAO anticipates that Fiji could produce 135,000 m\(^3\) of harvested timber by 2015, assuming an uplift of planted estate to around 65,000 hectares.\(^{47}\) The Ministry of Forests has set an achievable target of 85,000 hectares to be under mahogany forests by 2010.

The initial strategic focus of the project was experimental, due to the uncertainty regarding its eventual success, and the colonial administration had agreed to share future profits with the indigenous landowners – although there does not appear to be any binding agreement specifying how the eventual profits were to be shared. This arrangement had allowed the government to pay only a nominal rent in the intervening years but it escalated into another landowner complaint as trees reached maturity. Strict legal interpretation would question the landlords’ right to participate in the earnings of tenant’s business venture, but in the heat of the coup culture such issues are fine legal distinctions incapable of dispassionate consideration by the indigenous landowners, indigenous Fijian business interests, the expectations of the GCC, and an indigenous Fijian-dominated government wary of nationalists’ demands. The landowners are well-organised and ‘The Fiji Mahogany Landowners Association’ no longer accepts government ownership of mahogany timber on native lands leased by the government during the colonial period.\(^{48}\)

Typical of the curse of resources (when it should be a blessing) suffered by Third World countries (e.g. gold in Papua New Guinea, oil in Nigeria, diamonds in Sierra Leone), the stakeholders in Fiji’s hardwood could not be shielded from an assortment of greedy ‘carpetbaggers and scallywags’, with grand promises to enrich the government coffers and improve the economic status of gullible indigenous landowners. Emulating its experience in the privatisation of the pine scheme in 1991, the government established a wholly-owned government commercial entity called Fiji Hardwood Corporation Limited (FHCL) in 1998, to manage the plantations and oversee the commercialisation of hardwood timber resources. It was premised on the expectation that by 2005, the landowners would become joint-owners of the

\(^{46}\) See <http://parliament.gov.fj/parliament/legislative/bills.aspx?billID=240&viewtype=summary&bilnav=bill>, viewed 15 February 2009. Compare this to the sugar cane farmers who have been offered leases for up to 30 years.

\(^{47}\) ibid.

\(^{48}\) Oyowe 2002.
FHCL with the government, through the creation of a trust similar to one already operational in the pine industry. Accordingly, in 2005, the Fiji Mahogany Trust (FMT) was created which held shares in FHCL on behalf of the landowners, to encourage and improve their participation in the venture. The government initially allocated 10% of the holding to the landowners free of payment, expecting them to acquire additional shares from future profits. This represents a substantial gift of over F$19 million to the indigenous landowners, based on a August 1998 valuation report (see below), which determined the upper limit of a pre-tax valuation of the mahogany timber to be F$192 million. It is possible to treat the gift as a recoupment of rental income forgone by the landowners in the early years, when the viability of the project was being assessed through trial plantations. In achieving structural synchronicity in both timber projects the government recognised the future potential of the complementary projects as dual source of wealth generation for the indigenous Fijians. The arrangement all but guarantees full control of the entire timber industry by the landowners, as long as the established trusts are properly administered and shares are eventually allocated to the landowners in opposition to the ruling indigenous elites, as has been the experience of ordinary indigenous investors in their key investment entity, Fijian Holdings Limited.

Despite good intentions, in a brazen display of greed the stakeholders repeated most of the mistakes in the pine industry and the mahogany timber plantations were engulfed in landowner grievances regarding ownership, appropriate level of rents, leases terms, and compensation for the manner in which lands were appropriated by the colonial administration. The potential foreign investors and TNCs were again courted to finance the capital cost of logging equipment and sawmills, to provide know-how to harvest and to bring the valuable timber products to the market. For many foreign corporations, their engagement with the government turned out to be controversial; a key operative CDC was implicated in disputes with the Chaudhry government and the landowners, whereas Speight’s American benefactor, Timber Resources Management, became implicated in the conspiracy to overthrow the Chaudhry government. Several other players emerged as potential strategic partners seeking to exploit this valuable resource but most were clearly motivated by self-interest.

First, Timber Resources Management, an American company controlled by Marshall Pettit, who recruited George Speight to garner landowners’ support and provide local representation, had indicated its desire to develop an integrated timber operation. It was dissatisfied with the Chaudhry government’s decision not to accept its bid, after the financial dealings between
Speight and Pettit became the subject of police investigation.\textsuperscript{49} This company was implicated in the 2000 Speight putsch and dropped out as a serious contender for developing the industry. Second, the Commonwealth Development Corporation (CDC), a British concern with many years’ involvement in Fiji, became Chaudhry’s preferred bidder, as it was thought to be in the best position to assist his government’s negotiations with the EU on a sugar export support scheme.\textsuperscript{50} It is conceivable that this created some resentment amongst landowners, as Indo-Fijian cane farmers could have been seen as receiving priority from an Indo-Fijian Prime Minister, although this does not appear to have been Chaudhry’s prime motivation. With Chaudhry’s departure, the anticipated role of the CDC became irrelevant. Third, in the wake of the 2000 coup there was a bid led by China’s fourth-ranking communist leader, Li Ruihuan, together with 100 businessmen and politicians, who visited Fiji in November 2001. The landowners were deeply suspicious of and rejected the Chinese bid because they feared Laisenia Qarase was attempting to strike a deal with the Chinese entrepreneurs that might exclude them.\textsuperscript{51} Fourth, the NLTB had specified its own plan aimed at buying back native leases on existing plantations, and locating suitable investment partners to harvest and market the processed timber. The full legal and commercial ramifications of this plan were not fully developed or articulated and due to other complicating factors were doomed to failure. Fifth, some landowners attempted to pre-empt the NLTB initiative by organising themselves in groups to ‘go it alone’. For example, in March 2001, the Mahogany Landowners Association entered into an arrangement with a newly-formed Californian company (yet another American connection) to recover leases from the government and run the plantations under a joint venture.\textsuperscript{52} Its outcome remains unclear but it demonstrates the degree of determination on the part of American entrepreneurs to be engaged in or acquire control of the valuable timber resources in Fiji.

The commercial motivations of potential partners/investors speak for themselves but by 2005, with the demise of the Chaudhry government, the mahogany industry managed to overcome some its difficulties with the assistance of a financial guarantee from the incoming Qarase government. After acquiring a processing and manufacturing facility at Navutu, Lautoka, FHCL invested in a large sawmill at Wainunu, Galoa, capable of handling all production on Viti Levu, subject to undertaking further renovation of its facilities. By 2005, with some 250 employees, 100 logging and transport contractors, and up to 4000 indigenous landowners directly engaged in seasonal plantation, FHCL had produced approximately 60,000 cubic meters of logged timber

\textsuperscript{49} See Kahn 2000.
\textsuperscript{50} ibid.
\textsuperscript{52} See Feizkah 2001.
and exported processed and semi-processed timber to the US, Asia, Australia, New Zealand, and the Caribbean worth some F$16 million.\textsuperscript{53} It expected to increase its turnover in 2006 to F$30 million based on production of 30,000 cubic meters of sawn timber, compared with 20,000 cubic meters in the prior period. The government has already signalled its commitment to improving timber-related infrastructure in Vanua Levu by approving the construction of a new port at Wairiki in Bua.\textsuperscript{54} Given the demise of the garment and sugar industries, mahogany plantations offer a viable source of export income, if the industry is properly developed with a long-term strategy in place. Although the plantations are part of Fiji’s national assets, they became embroiled in multi-party disputations and, as argued in Chapter 3, the naked greed of TNCs to secure control of the industry was seen by many commentators as the principal cause of the 2000 Speight coup. The protracted disputes involving various stakeholders have compromised and threatened its true potential as the source of a long-term contributor to national wealth. Chaudhry summed up the dangers and inadvertently highlighted the ethos of indigenous Fijian entrepreneurship:

Nobody thinks about sustainability and adding value by processing the timber. They just look at the trees, do a quick calculation and say, How much can I make out of this? Here we go! And in five years there will be no mahogany left [sic].\textsuperscript{55}

In terms of the August 1988 Report titled, Resource Data Review and Valuation of Fiji Hardwood Corporation, prepared for the SVT government by Price Waterhouse Coopers and Fortech, the hardwood plantations were valued at between $F158 million and $F192 million before taxes, between $F132 million and $F161 million with a 13-year tax concession, and between $F102 million and $F130 million after taxes. The figures are subject to changes by now, but in the reports and documents examined by this researcher wildly varying estimates emerged which would have defied any rational appreciation of its true worth:

\begin{itemize}
  \item Area: between 40,000 to 223,785 hectares, actually about 70,000 hectares.
  \item Price: between US$1,320 to US$1,500 per m3.
  \item Valuations: starting at US$7.5 million, US$28 million, US$200 million, US$210,000,
    with one estimate of billions or at least (?)$40 million per annum in perpetuity.
  \item Wild claim: Greenpeace valued one tree at (?)$128,000.
\end{itemize}

\textsuperscript{54} ibid.
\textsuperscript{55} Cited in Feizkah 2001.
To make some sense of the confusing numbers, assuming Fiji realises its full potential and succeeds in developing the industry as suggested by the FAO, based on some 135,000 m³ output, in terms of the 2001 price\textsuperscript{56} for Brazilian mahogany sawn wood at US$1,420/m³, the Fijian mahogany plantations could have realised about US$191,700,000; this indicates that the upper limit of the projections was probably more realistic.\textsuperscript{57} The equivalent amount in FS is much higher than the amount noted in the abovementioned independent valuation commissioned by Fiji government.

Thus far Fiji’s production of sawn timber has averaged about 90,000 cubic meters, and the existing inventory of forest plantations is capable of supporting a furniture industry for many years in the future, if properly developed and integrated with utilisation of other materials such as bamboo, rattan and coconut timber.\textsuperscript{58} The downstream implications for the industry would suggest opportunities for investors and strategic partners in furniture-making and value-added processing of sawn timber. Since the commencement of mahogany harvesting in 2003 production has gradually increased. In 2008 it was expected to reach 80,000 cubic metres and by 2009 150,000 cubic metres.\textsuperscript{59} The share of total industry exports is about 5–6%, mainly pine wood chips destined exclusively for the Japanese market, with mahogany timber and plywood targeted at Australia, New Zealand and the US markets (Table 4.2).

Like the pine forests, the hardwood timber plantations are exclusively controlled by indigenous Fijians, who own the land on which most of the plantations stand, control the valuable timber concessions, and are actively engaged in the industry as landowners, contractors or employees. They derive substantial income from rents, royalties, dividends, and wages or salaries through employment with the FHCL. They are also beneficiaries of government grants and other indirect government financial assistance to the industry. The timber industry as a whole contributes about 1% of GDP but it remains dependent on substantial government assistance and continues to benefit from redirection of foreign aid. Between 1998 and 2002, the continuing government assistance has been a massive drain on the taxpayers and, in 2002, the total loans of some F$15.7 million were re-classified as government grants. In addition, in 2003, the government provided a guarantee of F$7 million, followed by a further F$5.8 million to ensure the continued financial viability of the FHCL. There is little doubt that the FHCL will continue to rely on government assistance.

\textsuperscript{57} The 2001 price for mahogany was a record high, expected to increase due to export restrictions placed by Brazil and the limited supply of quality mahogany timber, further exacerbated by global environmental concerns.
\textsuperscript{58} WTO 2009.
\textsuperscript{59} ibid, p. 97.
financial support for its viability in the foreseeable future. The company has since forecast gross profit ranging from F$700,000 to F$1 million per month, commencing in April 2006. In a clear demonstration of disproportionate support for the indigenous Fijians, apart from continuing guarantees, the landowners have received some F$35 million in compensation and grants.

Historically, Fiji has been exploited for its resources by carpetbaggers as early as the 1800s, when its sandalwood forests were exhausted within a decade and beche-de-mer was completely fished out within twenty five years of European settlement. Like tourism, mining and fishing, the timber industry is largely under indigenous Fijian or European control. It is poised to be a major foreign exchange earner if it is able to keep unscrupulous partners at bay, who seek exploitative arrangements that imperil national development objectives. The recent history of conflicts and disagreements in the mahogany industry provide glimpses of foreign corporate duplicity and their modus operandi in plundering the economic resources of poor developing countries like Fiji. The potential for involvement of large TNCs in Fijian politics, if their economic interests are endangered, has already been demonstrated and remains very real. The contribution of TNCs to the development of the timber industry confirms that their market behaviour is geared towards perfecting sociopathic corporate strategies deployed to remain dominant players, regardless of any negative consequences for the landowners, the country or its citizens.

4.2. Affirmative Action, Crony Capitalism or Redistribution of Wealth?

Scholars suggest that government-sponsored affirmative action programs have served as convenient mechanisms for redressing socio-economic disparities between and within groups in many multi-ethnic societies. Examples offered are those to bridge the gap between Chinese and ethnic Malays (Bumiputras) in Malaysia, or between blacks and whites in the US and South Africa. In post-apartheid South Africa, they have been usefully deployed to eliminate regional rivalries and to build national reconciliation. Recent experience shows, however, that whereas in Western societies affirmative action programs have been excoriated as the ‘new racism’ or ‘reverse discrimination’, in Fiji, they have been systematised and strategically employed as a nationalist tool, to achieve redistribution of wealth to the indigenous Fijian majority (who were/are political hegemons with prior claim to the majority of land and resources). This policy seems to be tolerated as it operates to create an underclass of Indo-Fijians and ‘Others’, against

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whom state-sanctioned positive discrimination has been legitimised for political purposes or to redress presumed economic inequalities.

Since independence in 1970, there has been a growing recognition of and support for affirmative action programs variously aimed at ameliorating ‘perceived’ indigenous economic, social and educational disadvantages, but a more integrated and coherent policy was only introduced after the 1987 coups, specifically aimed at satisfying the broader indigenous as well as the more militant expectations of the ultra nationalists linked to the Taukei Movement. The indigenous Fijians have been beneficiaries of a number of affirmative action programs for more than thirty years; yet despite vast sums spent on their advancement, there is an absence of statistical information confirming any marked improvement in the living standards of ordinary indigenous Fijians. A number of government affirmative action programs are examined here to reaffirm that indigenous Fijians have been the recipients of substantial aid after independence, but that the benefits have not flowed to the grassroots – largely as a result of poorly implemented policies pursued by the Alliance government dominated by the eastern chiefs and, more recently, the motivations of the emerging mercantile indigenous middle class linked to the ruling elites. I have principally relied on five main sources, which provide useful accounts of various taxpayer-funded programs implemented in the immediate aftermath of the first coup in 1987.

First, subject to approval, a total of F$53,910,000 was advanced to 27,373 applicants under the Village Housing Scheme, set up in 1987 and funded through the FNPF to improve indigenous housing in rural villages. The scheme exclusively targeted the rural indigenous Fijians and Rotumans applicants, who had to contribute one-third of capital or access their FNPF savings duly endorsed by the District Officer. The poorest of the poor are landless Indo-Fijians but they were not entitled to access the scheme. This program therefore appears to contravene the Constitution and is discriminatory on the grounds of race and ethnicity.

Second, in 1988, specially selected indigenous Fijian professionals, bureaucrats and entrepreneurs (the Fijian Initiative Group) produced the first set of post-coup affirmative action programs, in the form of a ‘Nine Points Plan’ that proposed the following measures:

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63 FHRC 2006, p. 77.
64 FHRC 2006, p. 40; Ratuva 2002a, p. 132.
1. Injection of F$20 million by the Fijian Affairs Board (FAB) as equity funding for Fijian Holdings Ltd, a company established in 1984 by the Mara government to encourage indigenous participation in commerce and financial sector.

2. Creation of a Unit Trust for the benefit of indigenous Fijians.

3. Establishment of a Compulsory Savings Scheme for indigenous Fijians.

4. Enhancement of existing business concessions to indigenous Fijians.

5. Establishment of a Management Advisory Services Department within the FAB.

6. Restructuring and strengthening of the FAB.

7. Adoption of a policy of retaining minimum level of ownership for indigenous Fijians in all resource-based industries.

8. Reserving specified areas of the economy exclusively for indigenous Fijian investments.

9. Indigenous Fijians to have ownership of a daily newspaper.

In terms of these recommendations, in 1989 the government introduced measures allowing the FDB to provide F$20 million interest-free loans, repayable over twenty years, to the FAB, with the aim of acquiring shares in Fijian Holdings Ltd (FHL). This loan was subsequently converted to a government grant on the understanding that at least 1 million of the 7 million B-class shares held by the FAB in FHL would be transferred to each of the fourteen provincial councils, as a means of furthering the involvement of indigenous Fijians in commercial activities via their state institutions. However, the intended beneficiaries of the scheme lost out, as a host of private family companies of indigenous Fijian elites and politicians, including some ministers, ended up acquiring shares in FHL with the assistance of funding from the FDB. The ordinary indigenous Fijians were automatically excluded by a limit of F$10,000 placed on investment (ostensibly to spread the shareholding as widely as possible), which ensured that only those registered in the VKB could apply for shares.65 The company’s 1992 Annual Report indicated that up to 70% of its shares were held by private companies and the balance by indigenous state institutions. More current information is available at a FLP-sponsored site,66 but its claims appear to be politically motivated and various enquiries with the FHL Head Office to clarify and update shareholder information have met with silence. Therefore, the author has been unable to verify the current status of all private company-held shares in the FHL.

Reacting to other recommendations, shares were also acquired by the Fiji Development Bank (FDB) in an indigenous Fijian-owned daily newspaper, The Daily Post, the ownership of which reverted to the government in February 1999; indigenous shares were increased in the Unit Trust of Fiji; and, in 1993 the New Zealand-based Hays Consultants were commissioned to review the FAB; their recommendations called for greater independence of the FAB from the Ministry of Fijian Affairs and suggested that it be made more responsive to changing circumstances. By 1999, quite a number of their recommendations were steadily implemented.\textsuperscript{67}

Third, in 1989 the FDB introduced a store management scheme through an entity known as the Equity Investment and Management Co. Limited (EIMCOL). Under this scheme eight indigenous Fijians were selected to undergo management training, with a view to their placement as managers of retail stores after a qualifying period of three months. Of the eight EIMCOL stores acquired by the FDB, two stores experienced financial problems by the end of 1990 and were disposed of by the FDB. All remaining stores experienced a similar fate and they had to be leased out to recover the cost of loan repayments, but much to the FDB’s disappointment the rental income received did not fully cover the loan installments. The FDB is believed to have invested about F$5 million to support this scheme, borrowed from a concept that had been successfully implemented in Papua New Guinea. Due to understandable FDB Board reluctance to divulge any information on the failure of the scheme, aspects of the financial debacle were published in a local paper from an alleged FDB-leaked Board report of January 1996.\textsuperscript{68}

Fourth, within five years of independence, in 1975, a Commercial Loans to Fijians Scheme (CLFS) was established to encourage Fijians to participate in businesses, with financial assistance provided through the FDB. The scheme was further strengthened in 1989 (two years after the first coup) by incorporating two additional concessions, which increased the subsidy of 5.5\% per annum on loans up to a limit of F$200,000, thus ensuring ‘an effective interest rate of 8\% per annum,’ and providing ‘a cash grant of 10\% of the cost of fixed assets up to a maximum grant of F$20,000’ in respect of each project. The take-up was unparalleled; in the eleven years since the inception of the scheme in 1975 to 1988 only 4,760 loans were provided, totalling some F$25 million, but between 1989 and 1994 – that is, in less than half as many years – 6,189 loans totalling F$99 million were advanced.\textsuperscript{69} Despite this substantial increase in the quantum of loans, the scheme was a failure, registering on average 19\% to 23\% in arrears. According to a 1996

\textsuperscript{67} Ratuva 2002, p. 132.
\textsuperscript{68} As reported in Fiji Times, 12 March 1996.
\textsuperscript{69} Ratuva 2002a, p. 133.
FDB Report, F$70 million-worth of CFLS loans was outstanding, which represents a very high proportion of the total loans advanced under this scheme. The FDB’s eventual loss through arrears or non-payment from this scheme is hard to ascertain, but an average of 20% would indicate an amount of some F$14 million. The scheme has been substantially modified now, incorporating the SBES (see below) and, as at 30 June 2007, its total portfolio was worth $77.9 million spread over 1,250 accounts.

Fifth, the 1990 Constitution provided that at least 50% of public service positions should be reserved for indigenous Fijians or Rotumans, together with all key positions of Prime Minister, President, Chief Justice, Chief of Police, Commander RFMF, heads of statutory bodies, and key ministries plus their permanent secretaries. This Constitution contained a number of overtly discriminatory provisions, which were only altered after sustained international pressure to produce the 1997 Constitution; this stipulated that the positions should be reserved for all disadvantaged groups, but in reality it excludes Indo-Fijians from aspiring to these positions. As shown in Table 4.5, by 2006 public servants comprised 63% indigenous Fijians, 34.1% Indo-Fijians, 2.1% from other communities and only 0.8% expatriates. In addition, the police force is composed of 62% indigenous, 35% Indo-Fijians and 3% other ethnicities, whereas the RFMF has been almost exclusively indigenous Fijian since its inception, with negligible Indo-Fijian representation.

Table 4.5: Ethnicity of Civil Servants as at 31 January 2006

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indi. Fijian Male</td>
<td>5706</td>
<td>5911</td>
<td>3631</td>
<td>2675</td>
</tr>
<tr>
<td>Indo-Fijian Male</td>
<td>3631</td>
<td>2675</td>
<td>200</td>
<td>206</td>
</tr>
<tr>
<td>Others Male</td>
<td>200</td>
<td>206</td>
<td>101</td>
<td>44</td>
</tr>
<tr>
<td>Expatriate Male</td>
<td>101</td>
<td>44</td>
<td>145</td>
<td></td>
</tr>
<tr>
<td><strong>Total 18,474</strong></td>
<td><strong>6306</strong></td>
<td><strong>406</strong></td>
<td><strong>145</strong></td>
<td></td>
</tr>
</tbody>
</table>


Sixth, in 1990 the Small Business Equity Scheme (SBES) was established through the FNPF to assist small businesses, especially those owned by indigenous Fijians. A total of F$17,220,000 has been paid out to 4,621 members. To illustrate disproportionate advances to indigenous Fijians, in 1996, of the 1,379 applications approved, which totalled F$3,500,000, some 90% or $2,760,000 in payment were to indigenous Fijians.

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70 ibid, p. 134.
71 FHCR 2006, p. 70.
Seventh, by way of a ministerial directive issued on 22 October 1993, which clearly sanctioned reverse discrimination, new taxi permits were not to be issued to Indo-Fijians. This policy was designed to redress the imbalance noted in indigenous Fijian participation in the operation of taxis. Indigenous Fijians were provided with funding for new permits through the CLFS but by 1995 the scheme was withdrawn, due to high levels of defaults on taxi loans. Apart from their inability to service generous loans, indigenous Fijian licensees did not display the discipline, commitment and diligence required to succeed in self-managed taxi businesses.\(^{73}\)

Eighth, an exclusive 12-year television license was granted to Fiji Television Ltd. (FTL), subject to an arrangement that would allow a progressive increase in the indigenous Fijian control of FTL. By 1995 FTL was majority-owned by FDB (51%), while Television New Zealand held 15%, Fiji Post and Telecom held 14%, and the 20% balance was retained by the public. The FDB effectively held 51% ‘in trust on behalf of indigenous Fijians,’ whose interests were protected by the fourteen Provincial Councils through Yasana Holdings Ltd., a company owned by the Councils but set up by the Fijian Affairs Board.\(^{74}\) This effectively represents a free gift of a national asset to indigenous Fijians with enormous future value: national TV licenses are an extremely valuable national asset usually monopolised by governments.

Ninth, in 2000 the Ministry of Agriculture was responsible for implementing an agricultural affirmative action program created to encourage indigenous Fijians and Rotumans to engage in agricultural projects. This scheme was abused and a special audit report by the Auditor General\(^{75}\) found that the senior officials within the Ministry were responsible for financial mismanagement of some F$25 million of taxpayers’ funds, recommending that they be indicted under the Public Service Act. The Auditor General’s investigation highlighted a complete disregard for authorisation procedures for payments, a lack of co-ordination, lack of forecasting or planning, absence of performance monitoring, and an absence of proper internal controls. The majority of the applications were approved by the Permanent Secretary, or his senior officers without proper evaluation. Both authorised and unauthorised purchases were made without regard to existing procurement regime; quotations were not requested; and orders were often directed to a preferred supplier at double the prices obtainable from other sources. The whole scheme turned out to be a sorry saga of gross financial mismanagement and an abject failure.

\(^{73}\) Ratuva 2002, p. 134.
\(^{75}\) Special Audit Report, Parliamentary Paper No. 11, 2002.
Tenth, an all-inclusive Ten Year Plan for Fijian Participation in Business was released, expressly aimed at achieving economic parity between indigenous Fijians and non-Fijians in the shortest possible time, with the ambitious target to achieve at least 50% indigenous Fijian ownership of major corporate or business sectors by the end of 2005. In line with the Nine Point Plan, it identified five specific strategies to enhance indigenous participation rates in business activities:

1. Promotion and safeguarding of indigenous Fijian interests through appropriate legislation.
2. Reorganisation and strengthening of the FAB.
3. Accumulation of indigenous Fijian savings to generate investment capital.
4. Encouragement of indigenous Fijians to undertake investments.
5. Development of indigenous Fijian entrepreneurship, business education and training.

These strategies were not entirely new, but the Ten Year Plan envisaged the privatisation of government-controlled organisations or monopolies, with a view to transferring government shares to Fijian Holdings Ltd. (FHL) or other indigenous Fijian-owned entities. In an unprecedented move it targeted a number of key industries: Fiji International Telecommunications Limited (Fintel) and Fiji Post & Telecom; Fiji Pine Limited; Fiji Forest Industries Limited and Tropik Woods Industries Limited; Pacific Fisheries Company (Pafco); and (NBF) National Bank of Fiji. The divestment of some of these largely taxpayer-owned enterprises or their acquisition by way of government grants, subsidies and other forms of government financial assistance, is tantamount to provision of free capital to indigenous Fijians, to acquire national assets not only funded by the taxpayers (sellers) but for no pecuniary benefit at all. Some of the arrangements to privatise public assets seemed to violate every principle known to the free-market capitalist economy (neoliberalism) and are fraught with problems of legality, yet parties to the transaction escaped detailed public scrutiny (for example, the SPL sale to Carpenters MCI joint venture).

Eleventh, the SVT government encouraged indigenous Fijians to incorporate within their communal groupings to make it more attractive for Fijians to engage in commercial enterprises. As a result Gaunavou Investments Co. Ltd. (GICL) was established by the SVT (Rabuka’s party)

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76 Ratuva 2002a, p. 134.
77 ibid.
for its Suva City Fijian Urban Constituency. Without regard to any conflict of interest, its shareholders included then-Prime Minister Rabuka, and several indigenous cabinet ministers.\(^78\) It aimed to encourage smaller family investments in conjunction with Yasana Holdings Ltd., the provincial councils’ investment vehicle, as distinct from the larger indigenous Fijian communal investments channeled through the Fijian Holdings Ltd.

Twelfth, soon after his appointment on 13 July 2000, Laisenia Qarase, as Interim Prime Minister, presented to the GCC a Blueprint for the Protection of Fijian and Rotuman Rights and Interests, and the Advancement of their Development.\(^79\) After a short introduction and background, it lists twelve specific proposals for legislative action by decree, and a further twenty-three policy directions for consideration by the Cabinet, with recommendation for their inclusion in the forthcoming Budget. The document contains a litany of demands, many of which had been made in the past by nationalists.\(^80\) In view of its significance, it is reproduced in its entirety and can be examined as Appendix K. Apart from those measures already implemented as indicated above, the Blueprint contained a few contentious demands:

- Provision of an interest-free loan to Yasana Holdings Ltd; a company owned by the Provincial Councils but set up by the Fijian Affairs Board.
- Conversion of budget provision of F$500,000 into an interest-free loan to indigenous Fijians to facilitate their buy-back of ancestral land, which the early Europeans had alienated as freehold land.
- Reinstatement of an annual allocation of F$1.5 million as a government grant rather than an interest-free loan to Provincial Councils, to encourage indigenous Fijian participation in businesses.
- Financial assistance to indigenous landowners to undertake sugarcane farming on repossessed lands.
- Government assistance to the NLTB by way of an annual grant (currently $F1 million).
- Government grant to endow a proposed Fijian Development Trust Fund.
- Reservation of 50% of all government contracts for indigenous Fijians.
- Extension of the FDB Loan Scheme for indigenous Fijians.
- Commitment by Government to preferentially rent Provincial Council buildings or those owned by their companies.

\(^{78}\) ibid.
\(^{80}\) See also Reddy & Prasad 2002, p. 59.
• Significantly, full tax exemption for indigenous Fijian companies only.

Thirteenth, in another discriminatory regime to reallocate financial resources to assist indigenous Fijians, F$3 million was set aside as a Seed Capital Revolving Fund (SCARF), to assist indigenous Fijians and Rotumans to invest in fishing or forestry industries – despite the fact they have been almost exclusively controlled by them in conjunction with Euro-Fijians and foreign corporate interests. Under the SCARF program, indigenous Fijians wishing to enter into tuna fishing ventures or forestry were assisted in their investment by the Ministry of Fisheries and Forests, which provided one-third of the equity for the business whilst the FDB provided the balance as loan up to F$200,000. As at June 2007, the total loan portfolio comprising 56 loans was valued at $3.6 million.\(^{81}\) During 2008, apart from providing $600,000 in annual grants as its contribution towards establishing an additional 400 hectares of pine plantation each year, as well as covering the cost of maintenance program,\(^{82}\) the government allocated an additional $500,000 to be set aside under the SCARF program to encourage landowners’ participation in large-scale pine harvesting in the Bua/Macuata province. This was expected to commence towards the end of 2006. In another program, $2.5 million was allocated under SCARF to be administered by the FDB and Forestry Department, which had operated to improve landowners’ involvement in the pine industry since 2002.\(^{83}\)

Fourteenth, under a Farming Assistance Scheme (FAS), intended to assist both the displaced cane farmers who lost their leases and the new farmers (or the landowners under ALTA) who wished to repossess their land to commence sugarcane farming, the bulk of the expenditure has gone to indigenous Fijians as Table 4.6 indicates. Most of the existing Indo-Fijian tenants had a choice of resettlement, renewal of existing lease, purchase of an alternative farm, or application for a new residential rural lease.

<table>
<thead>
<tr>
<th>Table 4.6: Farming Assistance Scheme Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>CATEGORY</td>
</tr>
<tr>
<td>Resettlement</td>
</tr>
<tr>
<td>Replacement</td>
</tr>
<tr>
<td>Replacement Non-landowner</td>
</tr>
<tr>
<td>Lease renewal</td>
</tr>
<tr>
<td>Rural Residential</td>
</tr>
<tr>
<td>New Farm Purchase</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>


\(^{81}\) FDB Annual Report 2007, p. 20.


\(^{83}\) ibid.
Fifteenth, in contrast to the multiplicity of programs for indigenous Fijians, to encourage other communities (Indo-Fijians and Others) to engage in the business sector, a Small Business Scheme (SBS) is also operated through the FDB. At June 2007 the scheme had a total of some 634 advances valued at $6.1 million compared with some F$78 million under the CLFS (see above).\(^{84}\)

Sixteenth, under a grant enabling re-acquisition of ancestral land now categorised as freehold, 23 properties were purchased between 1989 and 2004 at a total cost of $3,905,364. Whilst there is no evidence that all lands were illegally alienated by Europeans, it has been a major cause of indigenous grievances. This is a highly discriminatory program in view of the existing indigenous ownership of some 90% of the lands, and it overtly discriminates against all other communities, especially the Europeans and part-Europeans, who control most freehold titles along the coastal regions of the Vanua Levu, the Coral Coast, Taveuni, Ovalau and some small islands.

In line with the recommendations of Nine Year and Ten Year Plans, a number of the proposals contained in the Blueprint have already been implemented as part of the government’s redistributive intervention strategy. The Qarase government has already transferred Schedule A & B lands to the NLTB, in terms of the provisions of the Native Lands Trust (Amendment) Act 2002. It has also endorsed a race-based program for Fijian education, as demanded by the Blueprint by waiving fees for Form Seven Fijian students, and offering government assistance to ‘Fijian schools’ only, to the entire exclusion of ‘Indian schools’ – despite the fact that many Indian schools boast high numbers of indigenous Fijian students.\(^{85}\) But as key observers have noted, most of the indigenous Fijian demands contained in the proposals were not new, and many of the initiatives had been previously tried with varying degrees of success. The initiatives were aimed rather at placating indigenous voters and militant nationalists, at the expense of successfully implementing economic reforms or schemes that benefit all disadvantaged Fiji citizens.

The modest gains in the first decade following the coup indicate that indigenous Fijian expectations may have been a little over-ambitious, because the neglect of a century is not easily rectifiable within the targets set by the Nine Point Plan or the Ten Year Plan, supplemented as

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\(^{84}\) ibid; FHRC 2006, p. 70.
\(^{85}\) Lal 2006, p. 34.
they were by various ancillary schemes. It is quite likely that indigenous Fijian failure rates will continue as long as key appointments are indigenised (‘Fijianised’), without regard to appointees undertaking proper training, education or acquiring proper experience before progressing to high managerial positions. There is no reliable data but their expectation of achieving parity in corporate managerial positions may already have been achieved, with the continuing emigration of skilled Indo-Fijians and Others. In the public sector, in terms of the senior executives of major government commercial enterprises, there has been a significant imbalance in their favour for some time. By 2001, the ethnic representations in the public sector had shifted markedly, with indigenous Fijians (60%), Indo-Fijians (37%), other ethnicities (2%) and expatriates (1%). Over a period of five years, the percentage of indigenous Fijians rose by 3%, whereas the Indo-Fijians registered a corresponding decline. In terms of the 2006 census data, indigenous Fijian over-representation and Indo-Fijian under-representation, as well as a large ethnic imbalance in favour of indigenous appointments at senior executive levels, is illustrated below:

Table 4.7: Senior Executive in Civil Service 2006

<table>
<thead>
<tr>
<th>POSTS</th>
<th>SALARY LEVELS</th>
<th>F</th>
<th>I</th>
<th>O</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEOs</td>
<td>US01 (contract package)</td>
<td>22</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Deputy Secretaries</td>
<td>US02</td>
<td>30</td>
<td>7</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>DS/Directors</td>
<td>US03</td>
<td>20</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Directors</td>
<td>US04</td>
<td>53</td>
<td>6</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>125</td>
<td>17</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

(F - Fijians, I - Indians, O - Others and E - Expatriates)


Most of the affirmative action initiatives were derived from a Malaysian model set up in the 1970s. In terms of the above analysis, one has to concur with Kasper, who argued that ‘One has to conclude that the Malaysian model of preferential racial discrimination would only be a blueprint for political divisiveness and economic decline in Fiji.’ The execution of various programs by Rabuka and Qarase administrations clearly shows that an elite group of former politicians, chiefs, bureaucrats and Fijian middle class have largely benefited from the affirmative action programs, not dissimilar to the Malaysian experience where ‘an exclusive coterie of political cronies and bureaucrats took control of huge business assets.’ Collectively, these government programs represent substantial investment in efforts to redress indigenous grievances arising from the so-called Fijian Question. Unlike the vast majority of indigenous

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87 Kasper 2001. Malaysia has finally come to the realisation that the discriminatory measures, introduced under the 1971 New Economic Policy in response to rioting between Malays and Chinese, did not serve the national interest and operated to impede national development and growth targets. Prime Minister Najib Razak has vowed to repeal the policies favouring ethnic Malays; see Sydney Morning Herald, 1 April 2010, p. 11.
88 Kasper 2001; see also Ratuva 2002a; Reddy & Prasad 2002.
Fijians, at whose behest successive coups were justified by Rabuka and Speight, the coup-plotters, chiefs, politicians, Taukeists/nationalists, and the indigenous corporate bourgeoisie have all benefited from a variety of government programs.\textsuperscript{89}

Moreover, there remains an increasing view that however well-intentioned these policies may have been, they remain discriminatory to the rest of the population. In addition, they have a demoralising effect when justified on the basis of the perception that only indigenous Fijians are economically, socially and educationally disadvantaged. Conversely, Indo-Fijians in particular are portrayed by the nationalists and some politicians as economically powerful, better educated and enjoying better employment opportunities. Research in the 1990s showed that 89\% of Indo-Fijians were part of the disadvantaged group, compared with 79\% of the Fijians.\textsuperscript{90} The investors also view the programs as penalising those who generate the national wealth and, as such, as detrimental to fostering business opportunities while encouraging dependency and a hand-out mentality. There is a general reluctance, however, to oppose any measure directed towards the indigenes.

Ratuva has argued that the Blueprint can be seen as providing a ‘National Vision’ that seeks to reconcile contending demands of maintaining a ‘multi-ethnic and multi-cultural society’ with that of accepting the paramountcy of indigenous Fijian and Rotuman interests.\textsuperscript{91} Despite the inherent contradiction, its proponents argue continuing political stability will be jeopardised by indigenous ethnonationalism that is both impatient and insists upon urgent remedial action to extirpate indigenous economic grievances. With this in mind, further proposals were documented as a Twenty Year Development Plan that attempted to strategise longer-term affirmative action programs. This Plan hopes to redress perceived inter-group disparities through more ‘equitable sharing of resources and socioeconomic restructuring’ and to ‘maximize [indigenous] Fijian economic productivity.’\textsuperscript{92} The Plan expressly discriminates against all other races and sets an ambitious target of a 50\% control of the overall economy by indigenous Fijians in comparison with other communities by 2020. Current research indicates post-1987 coups that the affirmative action programs were driven by political imperatives that mostly benefited the indigenous Fijian elites to the exclusion of the grassroots indigenous community, whose participation in businesses appeared ‘symbolic’ and rested with ‘paternalistic’ organisations like the FHL.\textsuperscript{93} Although no

\textsuperscript{89} Reddy & Prasad 2002; Reddy 2001; Robertson & Sutherland 2001.
\textsuperscript{90} Reddy & Prasad 2002.
\textsuperscript{91} Ratuva 2002a.
\textsuperscript{92} ibid.
\textsuperscript{93} ibid.
study has been undertaken, there is growing evidence to suggest that indigenous Fijians may already have control of over 50% of the economy, as the following section demonstrates.

4.3. The Ascendancy of Communal Capitalism and the Fijian Holdings Limited

FHL’s 2007 Annual Report notes that it was established in 1984 to fulfil the objective of the Great Council of Chiefs, to create an entity that can ‘meaningfully represent indigenous Fijians in the business sector and ensure their meaningful participation in Fiji’s national economy.’

After some initial teething troubles, FHL broke through the competitive barriers to become an indigenous success story. It owes its existence to the affirmative action programs supported by the GCC, under the Nine Point Plan, to improve the level of indigenous Fijian participation in businesses. The company’s fortunes received a boost in 1989 when it became entitled to a F$20 million interest-free loan, repayable over twenty years through the FDB, which was later converted to a government grant. It was conditional upon reallocation of one million ‘B’ class shares held by the FAB in FHL, to be transferred to each of the fourteen provincial councils, and the remaining six million shares were to be retained by the FAB. In 1992, the company was privatised and instead of encouraging the ordinary indigenous Fijians, it is mostly the ruling indigenous elites who have benefited from massive government assistance. By 1994, over 70% of its ‘A’ class issued shares were owned by private companies of elite indigenous Fijians or their institutions. Individual indigenous shareholders had to be registered in the VKB and a limit of $10,000 was applied to spread the investment widely, according to a 1993 FHL Report. In 1992, its main ‘A’ class shareholders were the NLTB (500,000 shares), the FAB (100,000 shares), provincial councils (713,650 shares) and private shareholders (3,384,034 shares). By 1994, FHL had acquired 100% equity in Basic Industries Ltd. and made substantial investments in a number of major local companies: FSC (13.2%), Fijian Property Trust (89.7%), Carlton Brewery (Fiji) Ltd. (30%), Unit Trust of Fiji (8.9%), Motibhai & Co. Ltd. (100% of preference shares), Carpenters Properties Ltd. (50%), Merchant Bank of Fiji Ltd. (50%), and Goodman Fielder Watties (100% of preference shares).

As at June 2007, its major shareholders were the Provincial Councils, the Native Land Trust Board, the Fijian Affairs Board, Tikina and village groups, indigenous Fijian co-operatives, indigenous Fijians and/or their private family companies. Its deliberate strategy of investing in

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95 ibid.
major local enterprises is set to achieve its national objective of positioning indigenous Fijians in the mainstream of the economic activity. FHL has emerged as a successful conglomerate; as at June 2007 its annual accounts showed it had substantial investments in eight subsidiaries: 

Table 4.8: FHL Subsidiary Companies at June 2007

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Ownership</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Lagoon Cruisers Holdings Ltd.</td>
<td>100%</td>
<td>tourism-related activities and cruise ships</td>
</tr>
<tr>
<td>Fijian Holdings Trust Management Ltd.</td>
<td>100%</td>
<td>management trust</td>
</tr>
<tr>
<td>Fijian Holdings Securities Ltd.</td>
<td>100%</td>
<td>securities trading</td>
</tr>
<tr>
<td>Fijian Holdings Property Trust Co. Ltd.</td>
<td>89.7%</td>
<td>property trust</td>
</tr>
<tr>
<td>Merchant Finance &amp; Investment Co. Ltd.</td>
<td>80.0%</td>
<td>finance company using public deposit for funding</td>
</tr>
<tr>
<td>Clariti (South Pacific) Ltd.</td>
<td>60.0%</td>
<td>IT services through acquisition of HP in July 2006</td>
</tr>
<tr>
<td>Basic Industries Ltd.</td>
<td>51.1%</td>
<td>materials and concrete supplies for construction through Standard Concrete Industries and Hume Industries divisions</td>
</tr>
<tr>
<td>Fiji Industries Ltd.</td>
<td>50.1%</td>
<td>process engineering, cement manufacturers, plus construction projects in Fiji and other Pacific Islands</td>
</tr>
</tbody>
</table>


During the year ending 30 June 2007, it controlled 79.5% of the Fijian Holdings Property Trust Fund (FHPPTF), and in only its first year of operation it proved profitable, declaring a final dividend of 1.7 cents per unit, totalling F$525,981 or a dividend yield of 4.9%. It represents a return of 7.77% to unit holders, a reasonable result in an underdeveloped financial market. FHL has also registered substantial investments in a number of associated companies:

Table 4.9: FHL Associated Companies at June 2007

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Ownership</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minjesk Investments Ltd.</td>
<td>37.5%</td>
<td>provides clinical services to Fiji and Pacific Islands</td>
</tr>
<tr>
<td>Golden Manufacturers Ltd.</td>
<td>30.0%</td>
<td>market leader in corrugated packaging in the South Pacific</td>
</tr>
<tr>
<td>Forsters Group Pacific Ltd.</td>
<td>28.9%</td>
<td>beer, spirit and RTD products distributor</td>
</tr>
<tr>
<td>Marsh Fiji Ltd.</td>
<td>25.0%</td>
<td>largest risk consulting &amp; insurance broker</td>
</tr>
<tr>
<td>Fijian Holdings Unit Trust</td>
<td>13.0%</td>
<td>fund manager had FS$28 million under management, invested in unlisted, listed, term deposits &amp; government bonds.</td>
</tr>
<tr>
<td>Sun Fiji News Ltd.</td>
<td>100%</td>
<td>preference shares only – publisher of the Fiji Sun</td>
</tr>
<tr>
<td>New World Ltd.</td>
<td>15.0%</td>
<td>operates 15 supermarkets (New World) in Fiji</td>
</tr>
<tr>
<td>Goodman Fielder (Fiji) Ltd.</td>
<td>10.0%</td>
<td>ordinary and 50.0% preference shares – supplies poultry and agri-products to supermarkets</td>
</tr>
<tr>
<td>Asian Paints Ltd.</td>
<td>8.9%</td>
<td>supplies Apco coatings &amp; Taubmans Paints in Fiji &amp; Samoa</td>
</tr>
<tr>
<td>Fiji Sugar Corporation Ltd. (FSC)</td>
<td>8.8%</td>
<td>sugar millers, in 2007 FSC reported a profit of F$6.9 million</td>
</tr>
<tr>
<td>Amalgamated Telecom Holdings</td>
<td>0.2%</td>
<td>telephone and communications business</td>
</tr>
<tr>
<td>Fiji Television Limited</td>
<td>5.3%</td>
<td>TV station</td>
</tr>
<tr>
<td>Flour Mills of Fiji Limited</td>
<td>4.3%</td>
<td>flour mill</td>
</tr>
</tbody>
</table>


FHL has developed strategic plans to aggressively target a number of business segments, recently venturing into successful training programs that utilise the resources of its subsidiaries and related companies to groom young indigenous Fijians to acquire business development and management skills. Over the years, with continuing affirmative intervention, FHL has emerged as a successful indigenous enterprise and a major player in Fiji’s business sector. It is well on its way to the coveted status of major economic force in the greater Pacific region. Its directors are all indigenous Fijians, with the exception of one (Muslim) Indo-Fijian. It employs over 400 people, with some Indo-Fijians represented at senior executive level in the group. In addition, it has investments trading on the South Pacific Stock Exchange (SPSE) in Amalgamated Telecom Holdings, Pacific Green Industries Ltd. and R.B. Patel Group Ltd.; these are valued at $104,000, $45,000, and $8,000 respectively, at quoted bid prices reported in terms of company’s accounting policy. It received F$9,002,000 in dividend income, compared to F$7,988,000 in 2006. At balance date, on 30 June 2007, the value of its total investments approximated F$100 million, it had total assets of about F$280 million, and net assets of F$168 million at book values. Its real worth is only ascertainable after a proper valuation of all its subsidiaries and its investments in all associated companies. It reported a group operating profit of F$98 million and net profit after tax of about F$15 million, compared to F$94 million and F$17 million respectively in the previous financial year. In 2007 it declared dividends of 10 cents per share on ‘A’ shares and 5 cents per share on ‘B’ shares, totaling $2,046,000. Since its inception, the company has disbursed $47,800,000 in dividends to its indigenous Fijian shareholders, averaging about $2,000,000 per annum.

According to its 2007 financial statements, the company has issued capital of $10,464,650 ‘A’ shares of $1 each, and $20,000,000 ‘B’ shares of $1 each. Its ‘A’ shares are listed on the Restricted Board of the SPSE, whereas the ‘B’ shares are held by the FAB and Fijian Trust Board, each owning 10,000,000 shares. Its disclosure of shareholding in the 2007 accounts is listed as part of its obligations under the SPSE listing requirement in various bands of holding, and various attempts to obtain a listing of current top 50 or 20 shareholders from the company were not successful. The limited disclosure of shareholding does indicate, however, that most shareholders (672 holders) own between 501–5000 shares each, with 28 holding between 50,001–100,000 shares, 19 holding 100,001–1,000,000 shares, and only 2 holding over 1,000,000 shares. The ‘B’ shares appear to be held on behalf of or in trust for the various provincial councils. The composition of the company’s shareholding has been contentious and,

98 ibid, p. 6.
99 ibid, p. 37.
although motivated by political reasons, in 2001 the FLP raised a number of concerns regarding the manner in which FDB loans were utilised by family companies of prominent individuals to acquire shares in FHL. This has not been fully explained or resolved by the company.\(^{100}\)

The company continues its aggressive expansion strategy with its partial takeover of R.B. Patel Group Limited (RBPGL) in April 2008. This turned out to be ground-breaking in terms of the acquisition of a listed company on the SPSE. It was the first public company to be the target of a takeover in Fiji, paving the way for consolidation of all RBPGL supermarkets with FHL’s existing ‘New World’ supermarket chain, to be brought under the umbrella of a new subsidiary, FHL Retailing Limited. Under a partial cash offer of F$1.40 per share, it acquired 50.2% of RBPGL when the transaction valued the vendor share capital at F$42 million, and an option to acquire the management contract allowing FHL to manage and run the business of RBPGL.\(^{101}\)

Without much break in proceedings, by December 2008, FHL announced it was acquiring the entire Pacific operations of BP South West Pacific Limited (BP) for F$190 million.\(^{102}\) BP, a company with close ties to the indigenous Fijian establishment, has been in Fiji for 60 years with about 100 staff, but across the region it employed some 200. FHL intends to bring the oil business under a new subsidiary, FHL Energy Limited, which will assume control of 67 retail outlets spread across Fiji, Tonga, American Samoa, Cook Islands, Tuvalu and Vanuatu. The company has engaged the Hindustan Petroleum Co. Limited (HPCL) to manage and operate the new oil business. HPCL is a Fortune 500 Company with an annual turnover of over US$27 billion. It is by far the largest investment in FHL’s twenty-four year operation and is fraught with danger; this has been denied by management, despite calls for re-evaluation of the overall commitment by dissentients concerned about the sheer magnitude of the transaction. By March 2009, Nadroga and Rewa provincial councils expressed their concerns over the acquisition, amid growing realisation that the company’s balance sheet did not support the size of the deal and that it would be largely debt-funded.\(^{103}\) Some senior members of the Fijian establishment, such as Tui Cakau, Ratu Naiqama Lalabalavu, appeared apprehensive about the impending retreat from non-renewable oil resources; the concerted global search for alternative energy sources; the falling oil prices (which declined from US$147 to under US$40 per barrel between the date of transaction and 25 March 2009); and the possibility of acquiring ageing assets, all to be funded by a syndicated loan from banks. His concerns reflect the downside risk of hidden premium payment involved in the investment, given that his province (Cakadrove, Bua and Macuata) holds

\(^{100}\) See <www.fijihosting.com/pcgov/docs_cfijian_holdings_fdb_details.htm>, viewed 5 January 2009.


substantial equity in FHL, comprising 10 million ‘B’ class shares and 400,000 ‘A’ class shares.\textsuperscript{104} If the anticipated consolidated turnover of over F$600 million from 2010 onwards, and increased employment opportunities for indigenous Fijians were to materialise it would make the organisation a regional behemoth and vindicate its audacious drive to consolidate investments in targeted prime assets. However, at a time of global financial crisis, there is genuine apprehension that FHL may well turn out to be yet another private organisation in need of government bail-out. The difference with FHL is that the political stakes are high and the socio-economic fallout from its financial collapse could cripple the indigenous Fijian community. FHL represents its principal vehicle for communal investments, to which many other sub-communal entities are affiliated through the provincial councils or their respective corporations, such as Kabuna Holdings Ltd., CBM Holdings Ltd., and Yasana Holdings Ltd., to name a few. Kabuna and CBM have substantial interests in the timber industry as mentioned above, but Yasana Holdings Limited (YHL) is the holding company of the fourteen provincial councils and the Rotuman Island Council. YHL has investments in several companies in Fiji, including a majority shareholding in Fiji Television (51%), of its 10.3 million issued shares of $1 each, which it acquired in March 2000.\textsuperscript{105} As at 21 June 2006 the Fiji TV share price on SPSE was listed at $5.60, which puts the total value of investments at F$29.4 million. Each of the provincial council holds 547,885 shares in YHL. In 2000/2001, its first year of operation, it reported an after-tax earnings of $208,943, followed by $497,361 (2002), $1,142,745 (2003), $1,165,904 (2004), and $1,214,151 (2005). In December 2004, Fiji TV acquired Media Niugini Limited from Channel Nine Australia. Fiji TV’s net assets grew between 1994 and 2005 from $2 million to $16 million, and its revenue from $2.5 million to $17 million.\textsuperscript{106} Efforts to obtain current financials of YHL have not been successful, but these figures indicate healthy growth and the company is emerging as another financially-sound communal trading vehicle for indigenous Fijians.

4.4. Corruption, Wasted Aid and Poor Governance: The Missing Economy

Notwithstanding the commercial successes recorded by FHL, the spectacular failures from economic mismanagement, rampant corruption and poor corporate and national governance have been a considerable drain on the country after the coups. In recent years, taxpayers have had to financially bail out several statutory bodies, namely the Housing Authority, the Pacific Fishing Company, Air Pacific, the Fiji Electricity Authority, Radio Fiji, and the Fiji Pine Commission.

\textsuperscript{104} ibid.
\textsuperscript{105} See Minister for Information and Communications, ‘Contributions on sale of government shares in Fiji TV’, 21 June 2006, <www.fiji.gov.fj>, viewed Date Month Year.
\textsuperscript{106} ibid.
The government was called on to provide financial assistance to some private companies, such as the Emperor Gold Mining Company, Fijian Holdings Ltd and the Native Land Development Corporation. The full extent of the financial hemorrhaging has never been quantified, but its intensity led Mr. Siwatibau (the former Governor of the Reserve Bank of Fiji, a Minister in the Chaudhry government and Vice Chancellor of the University of the South Pacific) to suggest that the overall financial loss to Fiji due to bad governance was around F$500 million over the preceding 12 years to 2002.\textsuperscript{107} This figure has been quoted by a number of sources\textsuperscript{108} but it does not reflect the full extent of the financial carnage. In addition to protectionist policies, nepotism and poor financial controls in a number of specific instances, losses occurred through ‘major scams, corruption and mismanagement.’\textsuperscript{109} In what was essentially retributive politicking in response to militant indigenous Fijian ethnonationalism, various post-coup governments were in effect intimidated into surreptitious redistribution of wealth to indigenous Fijians, by means of preferential aid allocation, government grants, interest-free government loans (often subsequently converted to grants channelled through the FDB), or other forms of indirect financial assistance under the guise of affirmative action programs.

In 1997, in a classic case\textsuperscript{110} highlighting poor competency standards, gross negligence and wastage of public funds, in its enthusiasm for adopting a privatisation policy the government retained only a minority interest (49%) in Shipbuilding Fiji Limited (SFL), and divested majority interest (51%) in a strategic national asset (a monopoly) to a joint venture between Carpenters Fiji Limited and MCI, a little known New Zealand company, for $3,187,500. The sale was concluded on generous terms (repayments over three years commencing 29 April 1997) on the basis of a contract, which was vetted by the Solicitor-General but gave little protection to the government. Through the divestment of majority interest the government had in fact lost control of the Board, in which it had only three nominees as opposed to four by the joint venture. Within the first year of trading the MCI operations in New Zealand went into receivership and the joint venture in Fiji, MCI Carpenters, defaulted on the very first instalment to pay for the shares. By 1999, MCI Carpenters had losses of $1.9 million and was unable to collect its debtors of some $4 million, for works performed under contract on behalf of foreign clients. Astonishingly, at the time of entering the contract of sale MCI was almost bankrupt and proper due diligence should have determined the extent of its financial difficulties. The interim Qarase government compounded the folly by registering a company called Fiji Shipbuilding Corporation Limited

\textsuperscript{107} Fiji Times, 7 February 2002, p. 1.
\textsuperscript{108} Ratuva 2002a, p. 136.
\textsuperscript{109} Reddy & Prasad 2002.
\textsuperscript{110} See McMaster 2001.
(FSCL) in January 2001, in order to re-acquire the assets (equipment that had deteriorated due to lack of maintenance and the closing-down of the shipyard) controlled by the joint venture for $6.25 million. It then restored the business to full public ownership, justifying it on the basis of its strategic importance and the fact that the previous government had invested $8.7 million in the shipyard. In the anticipated refurbishment and construction of a new slipway the government had planned to invest another $4.35 million in the venture. Apart from non-recovery of its initial debt, lost revenues and any interest forgone, the government appears to have paid $3,050,000 extra to buy back toxic assets from a company in receivership, when it could have pressed on its advantage and more rigorously scrutinised the valuation of a company in dire financial straits. It is possible to argue that the taxpayers lost well over F$10 million on the deal.

In May 2001, SPL was re-organised as a government commercial enterprise under the Public Enterprise Act, renamed Fiji Ships and Heavy Industries Limited (FSHIL) and, apart from administering the slipway and shipyard assets, it now principally operates as a repairer of cruise ships, roll-on roll-off vessels and fishing vessels. After acquiring the assets of FSCL from the receivers for $6.25 million, the government spent $2.85 million in 2001/02 to refurbish the assets of FSHIL. There has been no shipbuilding work since the late 1990s and in 2007 Islands Business estimated that a capital expenditure of US$78 million is required for expansion and modernisation of its slip facilities before major contracts for larger vessels can be undertaken.\(^{111}\) The massive reorganisation of the venture has thus far shown no sign of improvement in its financial position, as shown by the figures in the following table:

\(^{111}\) See footnote of WTO Report 2009, p. 115.
public enterprises. It is difficult to question how such losses can be sustained amid continuing threats of violence and an entrenched coup-culture, which appears to sanction demands for control of assets without corresponding responsibility or accountability for any mismanagement.

In trying to ascertain the overall costs of poor governance in all Pacific Island states, Professor Ron Duncan has acknowledged the difficulties of quantifying in monetary terms the impact of corruption and incompetence.\(^{112}\) In the case of Fiji, problems are compounded because the costs associated with poor governance can also manifest in the form of nepotism, crony capitalism, financial mismanagement, outright corruption, and an aversion to observance of the rule of law. He argues that political activism or lawlessness often has a tendency to reflect parallel outcomes in resulting economic chaos, due to the deterioration or breakdown of existing legal and institutional frameworks of governance. His conclusions demonstrate how a country can lose its focus and become indifferent to a descent towards a failing or ‘failed state’ politically and economically.\(^{113}\)

For Fiji, log-linear trend analysis of per capita GDP (in 1995 US dollar terms) for the period from independence in 1970 to 2003 shows that there is a structural break around 1987 (the year of the first coups). In the pre-1987 period the trend in per capita GDP is estimated to be a slight decline of −0.3 per cent, while for the post-1987 period the rate of growth is a slight 0.02 per cent. The change from a negative per capita GDP growth trend in the pre-1987 period to a slightly positive trend in the post-1987 period could be explained by the fact that in the wake of the 1987 coups there was a period of economic reform. However, the post-1987 period has been characterised by continuing political uncertainty (culminating in the coup of 2000), uncertainty over access to land, and the loss of skilled and highly skilled labour. Thus, the beneficial impacts of the reforms and the adverse impacts of the coups appear to have cancelled each other out.

If we assume, therefore, that there has been no growth in GDP per capita in Fiji since independence, and also assume that in the absence of poor governance that GDP per capita would have increased at an average rate of 2.3 per cent, the gap in per capita GDP over the period to 2003 is US$14,000 in 1995 constant dollars. This means that GDP per capita would have been US$1,050 higher in 2003 than it actually was ($3,880 versus $2,830). Under these assumptions, the estimated total GDP foregone over the period since independence due to poor governance is calculated to be US10.8 billion (in 1995 dollars) (emphasis added).

If it is assumed that there has only been poor governance in Fiji since the coups in 1987, and that, in the absence of the poor governance, per capita GDP would have increased at 2.3 per cent, the loss in per capita GDP over the 1987-2003 period is estimated to be US$5,456 (in 1995 dollars). In line with these assumptions, the

\(^{112}\) Duncan 2005.

\(^{113}\) ibid.
loss of GDP over this period has been US$4.3 billion (in 1995 dollars) (emphasis added).\textsuperscript{114}

In an address to the Australia-Fiji Business Council, similar estimates were made by the economist Prof. Warden Narsey, who suggested that the four coups have cost the nation F$9.4 billion. On the basis of Narsey’s estimates, former Opposition Leader Mick Beddoes has argued that the coups have cost the tourism industry in isolation some F$4.5 billion, excluding any ‘multiplier effect’.\textsuperscript{115}

It is difficult to ascertain the ultimate financial cost to the nation but, all things being equal, as Narsey has argued, the staggering sum lost to the nation could have been allocated to pay off national debt, improve health, education, infrastructure development and welfare services, which have been rapidly deteriorating in recent years.\textsuperscript{116} These figures represent exorbitant losses for a small economy like Fiji and their recoupment will no doubt take many years. There is little evidence that the longer-term consequences of a sustained downturn in economic activity, aggravated by persistent political uncertainty, resonate with some politicians and the nationalists. In the short term, nationalists’ demands take priority over wider national interests. The country’s propensity to disregard mediated political solutions and the misperceived threats from Indo-Fijian domination of the economy continue to fuel tensions and add further strain on the economy through loss of capital, expertise and human skills. For now, Fiji remains a tragedy of a nation with enormous economic potential, devoid of visionary leadership and a victim of venality and systemic corruption. Some powerful men accused of greed and hatred have managed to fashion a future for the nation commonly found in many Third World countries, which has condemned their fellow citizens or those perceived as outsiders/vulagis/guests to long term degradation and suffering.

\textsuperscript{114} ibid, p. 3.
\textsuperscript{116} ibid.
Chapter 5

Disparate Imaginings of Fiji and the Seeds of Discord:
The Myth of Cultural Pluralism

This chapter reviews the disparate imaginings of the idea of Fiji and the misrecognition of the country’s claim to tolerance or its commitment to cultural pluralism. Its starting point is an exploration of indigenous nationalism in the context of three dominant indigenous fixations, used simultaneously to rationalise and obfuscate the explanations for the nature of ongoing ethnic conflict. It explores historical mis/representations of all ethnic communities in Fiji and their reactions or resistances to colonial experiences. The chapter identifies and expands on a set of key indigenous Fijian fixations that are relied upon as justifications for the various coups. It will be argued that the seeds of indigenous grievance, expressed as the ‘Fijian Question’ (economic backwardness, educational underachievement, and perceived threats to native land titles), were sown by the British; and that indigenous Fijians wrongly direct their anger at the Indo-Fijians, who had to fight the British policies aimed at stifling their progress at a time when the indigenous Fijians were more inclined to support British colonial rule.

5.1. The Idea of Fiji and Absence of Collective Nationalism

The late Pope John Paul II once described Fiji as ‘the way the world should be,’¹ but despite all the recognition it received as a potential model society embedded within a multi-ethnic state, throughout its short history Fiji has never attempted to promote a national identity that fostered any sense of an all-inclusive ‘we’ or the notion of a collective non-indigenised ‘Fijians’. Through the post-colonial inertia and the manoeuvrability of the status quo established by the British, the claim to diversity or multiculturalism promoted by the Alliance government managed to evade critical inspection but remained largely problematical. The contemporary post-ideological Fijian society represents a Pacific microcosm burdened with the all-too-familiar turmoil and animosity that one does not expect to find in an integrated, inter-dependent global village promoted by the proponents of globalisation. Globalisation promised much beyond the security of ‘economic safe sex,’² for it was presumed to contribute to the breaking down of artificial political, social and cultural barriers. Since the mid 1980s, however, the relations between dominant ethnic communities in Fiji deteriorated further, and racial antagonism, advanced as the principal

¹ The Fiji Visitors Bureau used the slogan ‘The way the world should be’ to advertise Fiji.
² See Gerber 2002.
justification for various coups, has continued to undermine inter-ethnic rapprochement. In the context of a multi-ethnic society, the obsession with race, ethnicity, indigeneity and the idea of nationhood have collided rather than conflated, creating tumultuous but not altogether unexpected consequences. One outcome has been the conceptualisation of a false consciousness amongst the indigenous Fijians, not in the Marxist sense of mystification (reification) produced by the ideology of capitalism among the working class; rather, the sense is of a social evolution of indigenous Fijian thought, progressing beyond its ‘psychological disfigurement’ occasioned by the colonial imposition of a brutal system based on racism, capitalist plunder, repression, and the establishment of destructive institutions of the state to realise the ambitions of the colonial power. The broader narrative on the historical justification of Britain’s colonial legacy, and its manifestation in the contemporary problems besetting the aspirations of the two major communities and the country in general has been subjected to rigorous analyses. The full impact of the false consciousness among the indigene, however, suggests a certain lack of objectivity and anomalous assumptions about the threat posed by a perceived Indo-Fijian predilection for covert political domination. The reasons for the coups have been dissected in Chapter 3 but since 1987, indigenous Fijian ethnonationalism has protruded over a landscape of arbitrary inclusions and exclusions, and affiliations appear to be actualised in terms of race/ethnicity/class, always the overriding leitmotif within the Fijian polity.

Historically, Fiji’s constitutional solution recognised a hybrid nation state developed long ago in Europe, modified with a socially-engineered colonial model of centralised/interventionist system of governance. The term ‘nation state’ envisages a condition of an existing sovereign state, legitimised through its recognition by the US State Department and the member states of the UN – notwithstanding its political boundaries not overlapping its geographic or ethnic boundaries, as is the case in Fiji. The Fijian state has a sovereign territorial claim that legitimises its existence, and the nature of its territoriality operates to provide substance to the Western notion of a political or geopolitical entity bound by the sinews of constitutionality. Social theorists have however argued that a nation reflects a great deal more than its ethnic or cultural entity. Even if the two boundaries geographically coincide, it does not guarantee common language, culture, religion or values. In Fiji the existence of minorities or large diaspora communities was manipulated by the British imperialist, as a racist strategy to undermine periodic efforts to forge

3 Handelman 2005.  
‘national identity’; the post-independence pursuit of the country’s commitment to multiculturalism, as distinct from assimilation or social integration, led to a dead-end, due to the inability of the neocolonial state to refurbish or substitute its internal colonial structures which impeded the growth of a sense of national cohesiveness.

The British had managed to sculpt a convenient form of indigenous Fijian authority that rendered nugatory virtually all previous institutions of indigenous Fijian kinship or chieftaincy. Their creation of the institution of the Great Council of Chiefs served as a convenient forum to preserve the interests of the colonial state, and also provided much-needed sanctions on sensitive matters affecting indigenous issues, such as land management, movement of indigenous labour and, subsequently, the perceptions of threats posed by the increasing strength of Indo-Fijian workforce. The indigenous Fijian community has been consensually hierarchical and its elders or chiefs, who still routinely arbitrate on communal ownership of land, customary practices, and traditional rights, often come into conflict with Western notions of democratic institutions, primogeniture, succession or legal titles. The ‘indigenisation’ of democracy in Fiji was therefore difficult but not impossible, and the culture of colonialism had created an inhumane environment that was not conducive to the spread of a democratic ethos. There was nothing inherently democratic about colonialism (despite the fact that it was propagated as such by the colonial powers who boasted the elegant nuances of democratic practices) and during its currency, home-grown democracy did not take root in Fiji. Prior to British departure a modified version of the post-colonial state, pre-figured and pre-fabricated, was imported from Europe by the colonialists and imposed on three major, but relatively antagonistic, ethnic communities.

The hybrid model suffered from a number of inherent imperfections. It assumed European-style parliamentary democracy could be made accessible and comprehensible to the major ethnic groups, especially the indigenous Fijians, whose leadership was expected to understand, articulate, explain, and engage it in dialogue, in terms of rudimentary indigenous Fijian conceptions of democracy. Its other inadequacy was its inability to confront and resolve existing socio-political conflict arising from cultural and economic disparities among its dominant ethnies. The neocolonial state consistently failed to challenge the idea that there is no singular or absolute understanding of democracy. In most countries democratic traditions have evolved through the effluxion of time and have been embellished with home-grown influences, without subverting their theoretical authenticity or institutional structures. Fiji, however, never had the opportunity to totally de-colonise its political or cultural heritage, which would have enabled it to re-appropriate or recover at least some of what was expunged under colonialism. In the face of
neocolonialism it needed resistance to restore local knowledge, language, or culture and to seek
dynamic strategies to rediscover and recommit to diversity. Although Fiji is a pluralistic society
which could have more readily embraced notions of ‘unity in diversity’ or ‘harmony in
difference’, its right to self-determination did not unleash a national realisation of a unified
collectivity, where each dominant group accepted the reality of its respective historical situation,
freed from the apprehension of the continuing domination of one group by any of the others. It is
arguably an outcome of the peaceful transition to power of the elite ruling class, created and
installed by the British, which continued to resist meaningful interactions among all groups and
made a national identity elusive. The indigenous Fijians, Indo-Fijians, Euro-Fijians and Others
have struggled to conceptualise and collectively articulate one Fijian nation, one national identity
that reaffirms their neutralised kinship, individuality, or nationality. Following Speight’s coup,
the scholar Teresia Teaiwa wrote:

The problem with [indigenous] Fijian nationalism is that there is no Fijian nation. There are Fijian provinces, and traditional Fijian confederacies, but the two
military coups of 1987 and the current hostage crisis illustrate with disturbing
insistence the erosion of indigenous Fijian social order and the fragmentation of
indigenous Fijian leadership.6

Not unlike a number of other commentators, she alludes to the lack of homogeneity among the
indigenous Fijians as a cultural and political entity. For her the difficulty of progression to
nationhood appears to be contingent on a society lacking in unity, rather than uniformity, to
foster a collective sense of nationalism consistent with the increasingly fragmentary aspirations
born out of competing group interests. After the overthrow of the Bavadra government and the
installation of the Rabuka regime, even the Reeves Commission7 concluded that the forging of
indigenous political unity in Fiji was unattainable. The challenges posed by cross-cultural
intercourse can be sourced to colonial policies which emphasised cultural differentiations; and
attempts by state-centric institutions to preserve vestiges of colonially-engineered segregation
made the transition to meaningful dialogue across the ethnic divide more complex. The sub-
cultural groupings found among the Indo-Fijian community further exacerbate the complexity of
Fijian nationality – particularly the Hindu and Muslim divide, which is continually exploited for
political purposes.

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6 Teaiwa 2000.
7 Reeves et al 1996. This Commission, chaired by Paul Reeves, was set up to review the 1990 Constitution, and its
recommendations led to the proclamation of the 1997 Constitution, aimed at a full restoration of democracy in Fiji.
Insights into what precludes the buttressing of diverse ethnic interests, despite a resurgent Fijian ethnonationalism, are accessible through the works of political scientists, who essentially debate the theoretical perspectives on nationalist sentiments by conceptualising nations as primordial, imagined, constructed, or deconstructed. Benedict Anderson’s scholarship on nationalism acknowledges the dilemma and difficulty of defining nations, nationalism and nationalities. He notes that all three have ‘proved notoriously difficult to define, let alone analyse’. For the purposes of this study, a constructivist view of a nation can be seen as a real or imagined entity as actively promoted by indigenous Fijian nationalists. Nationalism signifies the ability of groups of communities to forge an ‘ideological movement for the attainment and maintenance of autonomy, unity and identity’ of their perception of an actual or potential nation - often accepted as ‘real and powerful social phenomena’.\(^8\) This view is reinforced by others, who argue that nations are ‘imagined’ and ‘constructed’.\(^9\) Unlike Anderson, Gellner adopts a modernist view that the nations emerged as product of state-configuration in the eighteenth and nineteenth centuries, and that they are more than merely ‘imagined communities’. He accepts nations as very real but very recent political entities.

To broaden the constructivist’s understanding of a nation requires then an exploration of the extent to which it is imagined as a political formation, as enunciated by theorist Anderson in his celebrated work *Imagined Communities*. ‘In an anthropological spirit’ (as opposed to our understanding of it from a legal or constitutional perspective), he defines nation as ‘an imagined political community – and imagined as both inherently limited and sovereign.’\(^{10}\)

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\(^8\) Smith 1999, p. 37.
\(^{10}\) Anderson 1983, pp.15–16 defines it from an anthropological theoretical perspective:

- It is imagined because the members of even the smallest nation will never know most of their fellow-members, meet them, or even hear of them, yet in the minds of each lives the image of their communion.
- The nation is imagined as limited because even the largest of them, encompassing perhaps a billion living human beings, has finite, if elastic boundaries, beyond which lie other nations. No nation imagines itself coterminous with mankind. The most messianic nationalists do not dream of a day when all the members of the human race will join their nation in the way that it was possible, in certain epochs, for, say, Christians to dream of a wholly Christian planet.
- It is imagined as sovereign because the concept was born in an age in which Enlightenment and Revolution were destroying the legitimacy of the divinely-ordained, hierarchical dynastic realm. Coming to maturity at a stage of human history when even the most devout adherents of any universal religion were inescapably confronted with the living pluralism of such religions, and the allomorphism between each faith’s ontological claims and the territorial stretch, nations dream of being free, and, if under God, directly so. The gage and emblem of this freedom is the sovereign state.
- Finally, it is imagined as a community, because, regardless of the actual inequality and exploitation that may prevail in each, the nation is always conceived as a deep, horizontal comradeship. Ultimately, it is this fraternity that makes it possible, over the past two centuries, for so many millions of people, not so much to kill, as willingly to die for such limited imaginings.
Starting with Rabuka’s coups, however, many indigenous Fijians have redefined and constructed a well-articulated notion of their national identity, their ‘Fijianness’, as opposed to the identities of the outsider (or ‘other’, or ‘foreigner’, or ‘vulagi’). Their broad identification with this view operates to impede the progression to a collective nationalism beyond the colonial structuring of their nation, culture, society, citizenry or individuality and the vast majority remain incapable of challenging the contemporary perceptions of the outsiders or the ‘other’. The Indo-Fijians suddenly found themselves confronting the same void in the imagination of contemporary indigenous leadership, as they did in the ethnocentric viewpoint of the colonialists that once anticipated their departure or diminution in their status as non-citizens. The distinctiveness of the two major races was emphasised in the colonial era for political expediency, but the dichotomy of their existence continues to be reflected today in politics, vocation, education, religion and lifestyles. For myriad political reasons, the rupture caused by enforced separation makes it difficult for the two dominant ethnies to collectively imagine a nation in the classical terms expressed by Anderson, for an absence of ‘deep, horizontal comradeship’ makes it difficult for them to imagine themselves as constituents of an integrated ‘community’.

Apart from the legacy of colonial structures, there are other impediments to their collective imagination; ghosts from the past, but events since May 1987 make it difficult if not impossible for the crystallisation of an all-encompassing consciousness that jars their collective nationalism. Anderson also notes Gellner’s point that ‘Nationalism is not the awakening of nations to self-consciousness: it invents nations where they do not exist.’11 In the context of inter-ethnic conflict in Fiji, however, nationalism has lost its power, for it is inextricably linked with the proto-racism which figured prominently under colonialism, and which, in the post-coup environment, operates to naturalise the segregation of communities; it reinforces identities which are seen as safe within their own social settings, due to misguided assumptions about distinctiveness or exclusionary practices. A lucid exploration of the concept of racism is provided by Miles and Brown from multiple perspectives,12 as they extend Said’s conception of the ‘other’ through a synthesis of historical and theoretical analyses. They argue that cultural theorising in the sociological tradition, inspired by postmodernism and its shifting tendencies, leads to a conceptualisation of racism as both a ‘continuous’ and ‘fluid’ phenomenon. They recognise it as a political, moral and scientific concept, noting that the intersection of these issues makes it ‘politically, morally, and sociologically complex.’13 In Fiji, continuing emphasis on historical and ethnic differences provides a means of understanding the escalation of political rhetoric. Racism has evolved with

13 ibid, p. 17.
political developments that eventually ossify and underwrite various layers to conflict, adding to the difficulty of forging a common group or national identity that cuts across ethnicity. As some theorists have suggested, imagined biological differentiation not only creates dominant groups but also resistance from subordinate groups. So far the muted resistance in Fiji by Indo-Fijians has remained subdued and largely lawful, but it would be disingenuous to assume their continuing subservience in the face of the threats and violence directed at them by indigenous nationalists.

Furthermore, Anderson’s argument that the force of ethnicity is inherent to the importance we attach to our identity and those of others is very clearly demonstrated in the context of conflict in Fiji. He argues that the evolution of nation is largely contingent upon the notions of kinship, religion and nationalism. But in terms of his analysis, the primacies of print technology, capitalism, a common language (Fiji’s lingua franca is English) and, in a more contemporary setting, not even the power of the Internet, have coalesced to help negotiate the political or ideological formulations he advocated. In his view, in creating national reality (identity) the centrality of image is paramount, best illustrated by the exclusion of other races in advertisements promoting tourism in Fiji. The British did not imagine Indo-Fijians as part of their political formulation, and they were outside the boundaries of the intended community within the Fijian polity from the inception of the Fijian state; they imagined a community only in terms of British colonial imperatives. It is possible to argue that Indo-Fijians are still not ‘imagined’ as part of the overall community in Fiji (for a collective imagining to occur) and may be seen as less real than other groups, for they do not share features common to communities that are considered as part of the nation. But as Smith has pointed out, for collective nationalism to occur all members of a ‘nation’ don’t have to look alike or share common features; they only have to ‘feel’ a sense of solidarity with other members of their nation and display a commitment and intense bond to the nation. This sense of nationalism is realisable or producible from the dominant ideology within the locale.14

The exclusion of Indo-Fijians was a deliberate policy by the British to distort the reality of their impermanence in a strange land, by a process that imagined them as foreigners, aliens, outsiders, guests or ‘others’ and, therefore, as justifiably outside society. Thus the Indo-Fijians sought devices to resist British policies aimed at redefining their potentialities, and attempted to secure for themselves a public sphere within which they could express their identity, and practice their culture and religion. They sought a space wherein to educate their children in the values of their

common ancestry, and attempted to retain a ready memory of their continuous genealogy to pass down to members of their society. This became the central rallying point for Indo-Fijians as they sought self-assertion through pioneering their own education and greater political mobilisation, which further aggravated the perceptions of them shared by the colonialists and the indigenous ruling elite. In the post-coup milieu, indigenous Fijians interpret some forms of Indo-Fijian self-expression as threats to their presumed status. In reflecting upon Anderson’s heavy reliance on Walter Benjamin, John Kelly argues that he misunderstands Benjamin, by representing nations as parallel communities in ‘homogenous, empty time.’ In rejecting Anderson’s acceptance of ‘homogenous, empty time’ as real, Kelly suggests that ‘hierarchical self-assertion, not horizontal comradeship’ is central to imperial nations, and that an elite diaspora became a substitute for imperial conquests beyond the post-war period of de-colonisation. In a subsequent critique of Anderson’s classic work, Kelly and Kaplan extend their challenge and stress that communities were ‘represented’ as part of the colonial strategy in terms of the colonisers’ (as all ethnics were in Fiji) and not the communities’ expectations. The community per se was not created in new nation-states following de-colonisation. Thus the commentary of colonisers on race, as a wedge for political purposes, defined ‘race’, as well as racial characteristics in the consciousness of indigenous Fijians, Europeans and Indo-Fijians. The British saw communal self-government as contrary to their self-interest. Following independence it was difficult for a unified national consciousness to emerge given the antagonism fostered by wedge politics. Kelly and Kaplan make the case that for the two dominant communities, representation was part of an awkward colonial legacy in terms of who they were and their weighted political representation, reflected in the make-up of the new government and carefully crafted in the terms of the 1970 Constitution by the British.

In terms of Freudian psychoanalysis, in an earlier study Isaacs explains the link between the individual, and the group which produces the ‘quality and power of man’s tribal solidarity, his overwhelming urge to belong, to identify himself with tribe or nation and above all with his system of beliefs.’ He points out that elements that make up ethnic community or ‘basic group identity’ are physical characteristics, names and language, history and origins, religion and nationality. It is these shared characteristics that create a ‘deep commonality known only to those who shared in it, and only expressible in words more mythical than conceptual.’ In a similar

16 Kelly 1998.
18 Isaacs 1975.
vein, Smith attributes six features to an ethnic community (ethnie): an identifiable collective name, a myth of common ancestry, shared historical memories, various elements that differentiate common culture, a connection with a specified homeland, and a sense of solidarity.\textsuperscript{19} Ethnies are not, however, primordial despite nationalist ideologies, rhetoric or discourses; they can coalesce or fragment through processes of assimilation (of regions, tribes, sub-units) or fission (sectarian schism or proliferation when components depart to form new groups),\textsuperscript{20} suggesting that bonds are formed on the basis of social interactions and are not biologically innate. Natural inter-ethnic interaction in Fiji was undermined by the existence of latent apartheid promoted by the white minority, who represented the dominant ‘ethnic core’ (another term coined by Anthony Smith) that kept all three major races apart. From a cultural globalist perspective, it is possible to argue that the European desire to dominate and have control of the polity reduced Indo-Fijians to a ‘virtual community’ residing in one of the ‘ethnoscapes’, which serve as ‘the building blocks of what (extending Benedict Anderson)’ Appadurai calls ‘imagined worlds, that is, the multiple worlds that are constituted by the historically situated imaginations of persons and groups spread around the globe’ (original emphasis).\textsuperscript{21} To Appadurai ‘ethnoscape’ represents the ‘shifting world in which we live: tourists, immigrants, refugees, exiles, guest workers, and other moving groups and individuals constitute an essential feature of the world and appear to affect the politics of (and between) nations to a hitherto unprecedented degree.’\textsuperscript{22} In this unique space, Indo-Fijian separation from and lack of attachment to the land, and their perception as a threat to the indigenous interests or tradition/culture/religion make fraternisation between the two communities difficult, and ‘in their minds’ there does not exist any ‘image of their communion’. The coups in Fiji have profoundly affected the lives of both communities, but particularly those of the Indo-Fijians, and the redefining of their rights and obligations means they are likely to languish in a kind of ‘transnational public sphere’ in Appaduraic lexis, as Fifth World citizens. To most Indo-Fijians their future seems bleak and uncertain. As a consequence, the most educated and skilled have sought a new future and security in other countries.

Moreover, from a historical perspective it has been argued that the idea of Fiji as a nation had been neglected at critical points in history. It has been suggested that ‘Fiji is a modern entity. It never existed prior to 1871. Even after 1871 Fiji existed only as a colony, an entity without a

\textsuperscript{19} Smith 1991, p. 21.
\textsuperscript{20} ibid, pp. 23–25.
\textsuperscript{21} Appadurai 2003, p. 33.
\textsuperscript{22} ibid.
national basis. That basis had to be created. The Polynesian influence in Fiji predates Indo-Fijian arrival by a short span of thirty years. If Polynesians could be accepted and integrated into Melanesian indigenous culture there is no reason why others could not be similarly assimilated. In the post-coup milieu the resistance to inclusiveness of the ‘other’ or foreigner or vulagi has been intensified by the deployment of ethnonationalism as a means of attaining indigenous political supremacy.

In addition, contemporary scholarship frequently highlights a prominent obstacle embedded in the indigenous Fijian psyche, held against the Indo-Fijians to gain political advantage, historically reinforced by the colonialists but continually reiterated by the nationalists. To the nationalists it represents a precondition for the tacit acceptance of ‘Fijianess’ and full integration into Fijian society mandates a collective experience of a catharsis drawn from participation in violence.

Similar views had been historically articulated elsewhere and the architect of modern Fiji, Ratu Sir Lala Sukuna, once said: ‘[Indigenous] Fijians will never be recognized unless our blood is shed first.’ Indigenous Fijians have a proud military tradition of service to the British during World War 1, World War 2, and subsequently during the Malayan campaign (Indo-Fijians volunteered but were not required), and this fact seems to weld them to their ‘Fijianess’ in a way that exactly subtends the Indo-Fijian inclusion for their ‘presumed’ lack of service. In so doing, it overlooks the British policy of deliberately dissuading the Indo-Fijians from joining the military forces in the 1920s and 1930s, for strategic reasons and on account of colonial apprehensions about possible shifting alliances. In 1916 the resident Indian lawyer/activist, Manilal Doctor, urged the formation of an ‘Indian platoon’ of thirty soldiers which was rejected by the colonial administration, as were ‘all offers by [indigenous] Fijians, [Indo-Fijians] Indians and Part-Europeans to enrol in military service’. It was only in 1934 that Indo-Fijians were allowed to join a separate ‘Indian platoon’ which was based in Rewa, but it was disbanded in 1940 due to opposition from European officers. At the height of WW2, in 1942, there were only 264 Indo-Fijians, 1,070 Europeans and 6,371 indigenous Fijians in the military. Only some 430 Europeans who volunteered saw action in various theatres of war, with some indigenous Fijians serving in the Transport Corps or with the New Zealand or French

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23 Robertson 2005.
25 Cited in Ravuvu 1988, p. 15; see also Lal 1992, p. 120.
26 The ‘diggers’ similarly display the ANZAC spirit, claiming a sense of mateship, camaraderie and belonging to the members of the armed forces in Australia and New Zealand.
army, where Ratu Sakuna distinguished himself and won the Medal Militaire. It is worth noting here that in areas where the Fiji Company’s (Viti Kabani’s) influence prevailed, indigenous Fijians rejoiced at British defeat, as prophesied by Apolosi Nawai.\(^{31}\) During WW2, the racialisation of the Indo-Fijian stance was predicated on their preparedness to defend ‘Fiji’, conditional upon equal pay for equal risk, but their opposition to defend the ‘empire’ was without recognition of equality between Europeans and non-Europeans.\(^{32}\) Indigenous Fijian and Euro-Fijian articulation of the events tend to underemphasise the European refusal of the Indo-Fijians’ principled stand, or the fact that the colonial government did not wish to establish an ‘Indian platoon’. It is not surprising therefore that this version of history is seldom reaffirmed in terms of the wider consideration of issues pertaining to the Indo-Fijian loyalty to Fiji. Amidst vociferous claims of disloyalty, one cannot but help notice the quiet suppression of voices on the sinister strategy of the British, with regard to the formation of a predominantly indigenous Fijian military. The military was first used against the Indo-Fijians, with devastating results, to contain striking workers in 1920. Later, in December 1959, the striking workers – seeking to ameliorate their economic circumstances – rioted and clashed with the police, and this clearly infuriated the colonial administration and the small minority of European elites who controlled commerce. The authorities then feared solidarity between Indo-Fijians and the indigenous Fijians and deliberately racialised the dispute.\(^{33}\) In trying to suppress the strike, the colonial administration called for the reassertion of the traditional indigenous Fijian authority vested in the GCC, which was made to appeal to the indigenous Fijians in explicitly anti-Indian terms.\(^{34}\) It serves as a classic example of how anti-European sentiments were historically subverted and re-projected in terms of anti-Indo-Indian sentiments, which had the desired effort of keeping the races apart and also gives us some idea of the economic and political hegemony of the small white minority in colonial Fiji.

Thus, in Fiji, participation in violence of war principally for the benefit of an oppressor or exploiter is seen as cathartic; it becomes a determinant of rights and loyalties, and a preserver of national identity. The European apprehensions about an ‘Indian’ component of the armed forces and the deliberate colonial and post-colonial exclusionary policy is disregarded when their rage is paraded against the Indo-Fijians, who have been unable to escape constant reminders of their lack of service. Indo-Fijians argue it is a state-sanctioned lie that they are forced to constantly reject. They believe they are entitled to repudiate any sense of disloyalty rather than apologise

\(^{31}\) Lal 1992, p. 55.
\(^{32}\) ibid, pp. 120–121; see also Sharma 1990, p. 63 cited in Lawson 2004.
\(^{33}\) See Heartfield 2002.
\(^{34}\) ibid.
for it. The constant reminder of a critical moment in history suggests that no amount of rational explanation or objective analysis will obviate the need for a political dowry to be extracted in perpetuity from the Indo-Fijian community. Thousands of ‘Indians’ who died for the British in both world wars elsewhere, and their massive contribution financially and materially to the war efforts, are largely overlooked and, it seems, are not factors that qualify for wider consideration.

It has to be appreciated that during WW1 some 1,100,000 Indian soldiers participated in various theatres of war, including the Western Front, Gallipoli and North and East Africa, with an additional 1.5 million volunteering to fight. In total, some 60,000 were killed or missing in action with some 65,000 wounded.\(^{35}\) Extremely wealthy Indian princes contributed large sums of money. Such efforts pushed the Indian economy to near bankruptcy and surprised the British establishment with the Times noting, ‘The Indian empire has overwhelmed the British nation by the completeness and unanimity of its enthusiastic aid.’ This was despite the Germans spending time, energy and effort stirring up anti-British sentiments in India prior to the declaration of war.\(^{36}\) An estimated 87,000 Indian soldiers died during WW2, fighting for their oppressors, and 1.6 million civilians were directly killed – excluding over 3 million who died in 1943 due to the onset of a severe famine in Bengal, as a result of the British policy of food diversion for war requirements.\(^{37}\) In terms of lives lost to war, the contribution by an occupied and suppressed nation was far greater than the combined human losses (63,200) of the Commonwealth countries of Australia, New Zealand and South Africa, with Anglo-Saxon orientation. Canadians lost 45,300 soldiers but no civilian died. Surprisingly, this is not highlighted or given prominence in any of the literature that I have reviewed and, until this research, I found my own ignorance of history and its impact on my worldview disturbing, based as these were on a colonial history that glorified Anglo-Saxon bravery and participation in wars, in direct opposition to the overall Indian commitment thought to be less than enthusiastic.

In the context of Fiji, therefore, the criticisms directed against Indian leaders in India for their agitation on behalf of the Indo-Fijians appear unreasonable (given that most were not even citizens of Fiji at the outbreak of WW1 and their contractual obligations were under ‘girmit’), and subsequently, the feudalistic work environment and the European/indigenous Fijian desire to

\(^{35}\) See <www.historylearningsite.co.uk/india_and_world_war_one.htm>, viewed 18 December 2007.


\(^{37}\) These numbers are estimates, as the various statistics appear inconsistent, possibly due to differing criteria for classifying war dead. The Commonwealth War Graves Commission puts total Indian war dead during both wars at 160,000 men, who are buried and commemorated in 50 countries. During WW1, the Indian army strength increased by six-fold to over 1.4 million men and by WW2 it had reached 2.5 million, the largest volunteer army in the world.
discourage Indo-Fijian recruitment during WW2. Debate will no doubt continue on this subject but, from the standpoint of this research, it is accepted that Indo-Fijians properly exercised their right to reject the discriminatory conditions of service offered by the hostile and racially prejudiced colonialists seeking to maintain a system of subjugation, even in their expected contribution to their own oppressor’s war. The Western mindset glorifies and celebrates the history of its conquests, including the collective participation in the violence of wars. “Thou shalt not kill”; but marching under a flag and participating in mass killings, for a justified or unjustified cause, is forgivable, and can be absolved through a sophisticated logic that differentiates between state-sanctioned ‘military’ as opposed to ‘civilian’ participation in violent behaviour. By contrast, one of the most significant ‘Indian’ contributions to humanity is the praxis of non-violence or ‘ahimsa’, and throughout its long history Indian thought appears to have intellectual difficulty in coming to terms with organised violence. Various strands of Indian philosophy and metaphysical enquiry regard all forms of subjugation as interfering with the inner freedom of the ‘self’ and its denial is felt as a gross humiliation by individuals. To Indians (and Indo-Fijians), the cry for freedom and independence (or self-determination) is merely an outer expression of the anxiety to preserve the province of one’s soul. It is reasonable to conclude therefore that the Indo-Fijians reject accusations of their lack of commitment to or the undermining of British war efforts with proper justification.

Apart from this overarching inhibitor to Indo-Fijian acceptance and progressive indigeneity, a historical emphasis on differing ideologies spawned by pretences of cultural pluralism engendered a uniquely sectarian consciousness, covertly opposed to more progressive or assimilative tendencies. Homogeneity, uniformity and unity were not pre-existing conditions within an indigenous Fijian society. A contrived colonial Fiji had rejected multiculturalism but the post-colonial society maintained a charade only to be found wanting in assimilative policies able to ‘impose a Fijian cultural diversity’. The disingenuous claim to multiculturalism continually reinforces fissures within Fijian polity, where cultural diversity was resisted from the outset and experimentation with multiculturalism could barely survive seventeen years past independence.

If there was any hope of the crystallisation of the idea of Fiji, it has been scuppered by the four coups in two decades, justified on the basis of indigenous Fijian ethnonationalism, sculptured from the failed policies of seventeen years of conservative rule by the Alliance Party and the ongoing nationalistic demands of the Taukei Movement. These have put paid to any attempt at

38 Robertson and Sutherland 2001.
building consensus or rapprochement with the ‘others’ or vulagis/foreigners within the Fijian polity. Shiels’ definition of ethnonationalism as representing an ideology of ethnic minority living within a state or across state boundaries, ‘that propels the group to unify and identify as having the capacity for self-government,’\(^{39}\) seems to be at odds with the status of indigenous Fijians and their claim to marginalisation. In addition, Indo-Fijians do not seek a separate homeland committed to ethnic separatism, defined as ‘a movement by members of an ethnic group to gain autonomy over their own destiny, with the formation of a separate state as the major option.’\(^{40}\) Indigenous Fijians have had complete control of all governments since independence; they continue to own about 90% of the land and most of the resources. When faced with modernity, the inability of the indigenous leadership to rationalise its way out of a communal way of life, to avoid fragmentation of the community breeds resentment directed at the Indo-Fijians, who have achieved success in education, small business enterprises and professions to overcome their insecurities. According to Rabuka, ‘We are still coming out of provincialism and having that form of system will be counter to creating national cohesiveness.’\(^{41}\) Thus, not only have doctrinal underpinnings of democracy been subverted or made subservient to ethnonationalism, but Mara’s ‘Pacific Way’ has been replaced with a new model of Melanesian interaction based on jingoism, that attempts to re-institutionalise policies of race separation in order to right the wrongs of British, for which Indo-Fijians are now held responsible. For all the dialogue, political vigilantism by the malcontents, attempts at redressing the past wrongs, affirmative action programs, and Indo-Fijian concessions across the spectrum of political, economic and social interfaces, Indo-Fijians argue that there is no end to indigenous Fijian demands. The non-negotiable indigenous demands are seen by some as tantamount to a determination to establish of a new apartheid state in Fiji. The stakeholders are now wedded to the politics of a zero sum game that mandates that for every indigenous Fijian winner there be an Indo-Fijian loser.

Fiji’s motto is ‘Rerevaka na Kalou ka doka na Tui’ meaning ‘Fear God and Honour the King’. The Arms and the Motto both exclude any reference to diasporic communities and give some sense of other deeper national issues requiring proper consideration in forging a national identity. The exclusiveness, ambiguity and contradiction inherent in the state motto are recognised by others as well; the motto ‘disrupts the boundaries between church and state, but also interpolates the chiefly system into the mix’.\(^{42}\) Apart from deeply ingrained attitudes, the state structure and

\(^{39}\) Shiels 1984, p. 4.  
\(^{40}\) ibid.  
\(^{41}\) The Sunday Post, 20 April 2003.  
\(^{42}\) Teaiwa 2004, p. 211.
its administrative apparatus abound in vestiges of the empire (e.g. Queen, Chiefs, Emblem, Flag, Royal Patronage, RFMF, and connections to British Royalty in Local Currency, Stamps, Names or Locations) that intrinsically provide resistance to the severing of the colonial past and its replacement with the hic et nunc of the reality of modernity and globalism. Indigenous Fijian belief in nationhood appears to have inspired feverish fanaticism but has yet to yield permanent inspiration of an impartial state that also reflects on the obligations of all its citizens. For all their vulnerabilities, however, the indigenous Fijian leadership, under the tutelage of the British, continues to appreciate the power of an iconic image and symbolism, and how these can be utilised to enhance or cultivate a sense of political control. It is noteworthy that the idea of an image on coins, which originated with Alexander the Great (356–323 BC), can still impact the lives of ordinary citizens of Fiji. The state continues to use iconic images to subvert attempts to envision a true national identity of all its citizens. Symbols of national identity generally exclude Indo-Fijians and this is best exemplified in advertisements for the promotion of the country’s tourist industry. Media images do not associate or link Indo-Fijians or other races to Fiji; in fact, they consciously reject their presence. The European images are well represented, but as revered consumers who subliminally rework the indigenous Fijian psyche without disturbing the frames of reference acquired from a bygone era.

From the foregoing analysis, it appears that there is some agreement that to define nation requires some effort to redefine an identity derived from ethnicity and its common elements. This adds to the difficulty of arriving at an acceptable definition for Fiji Islanders. Some sociologists consider race not to be a meaningful category. They think ethnicity is an imagined and continually reimagined identity, not entirely grounded in primordial attachments. The contested meanings have consequences for politics, race and class relations. Fiji remains a racially divided society without a national identifier, where each major group clings to its own identity, invented through the essence of race, religion, language, culture, education and political economy; this makes both transculturation and adaptation in a new and more neutralised ‘habitus’, in an Appaduraic lexicon, a difficult and challenging process. There is no identifiable global or universal culture, regardless of claims to ‘deterritorialisiation’, making co-existence difficult. Unlike other countries, like Chechnya, Sri Lanka, Thailand, and the Philippines, to name a few, political resistance in Fiji has remained relatively peaceful and Indo-Fijians, who

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44 Huntington 1996, p. 56-66 examines this in terms of universal civilization and comes to the same conclusion but he recognises the primacy of a predominant Western (or modern) civilization, its vitality and influences.
eschew violence (often wrongly interpreted as their cowardice), are not seeking a separate homeland. Their principal demand is for equality of status and opportunity (a theme they have consistently pursued since 1879), including political power-sharing in the country of their birth, where their contribution in all walks of life has been substantial under very difficult and discriminatory circumstances. Indigenous Fijians, on the other hand, have been fixated on the paramountcy of chiefs, control over land and political supremacy, all of which directly oppose the very notion of egalitarianism.

Thus Fiji exists on the map, has a history, the territoriality of a nation, some institutions that give it foundations, temporally and spatially, but the idea of Fiji has failed to materialise, as conceptualised by key commentators. For an egalitarian democracy and ethnic equality to succeed and flourish, the idea of Fiji has to be established and internalised through the acceptance of truly democratic institutions and a non-discriminatory constitution. Other issues, such as the reappraisal of the need for the Great Council of Chiefs, aimed at the redistribution of power and wealth from an elitist assembly (that broadly represents the interests of half the citizens) to the grassroots of the indigenous Fijian community, the influence and power of foreign TNCs, land reforms inhibiting indigenous Fijian participation in agriculture and economic activities, educational reforms aimed at bridging the schism between the racial and cultural divide between the two dominant communities (including the elimination of prejudices and stereotypes), the constitutional provisions that recognise the rights of all citizens and minorities, and the need for maintaining the separation of religion and state should be subjected to serious national re-evaluation, to mitigate conflict. Transformation to a non-indigenised Fiji Islander society calls for a superior awareness or a new consciousness, which creates a neutralised space for political and social adaptation, born out of a cultural renaissance that is uniquely indigenous to and Pacific in nature.45

5.2. Colonial and Post-Colonial Representations, Reactions and Resistances

The ‘girmit’ was essentially an imperialist version of a racist-guest-worker program, with negligible pecuniary rewards but laced with the fringe benefits of all the brutality of colonialism. Since the commencement of their economic adventure (or misadventure) in 1879, the ancestors of Indo-Fijians came to realise the deceitfulness of British colonial policies and actively sought to liberate themselves from the cramping confines of the socio-economic thralldom arbitrarily imposed by the colonial strictures. A review of the literature indicates that many commentators

45 The adoption of the proposed People’s Charter issued in December 2008 may be a first a step in this direction, but its successful implementation is far from guaranteed in view of political developments in Fiji after the fourth coup.
have some sympathy for their reconstituted dilemma, identifying the factors that define the essential Indo-Fijian character. The intolerable burden of their existence formed the basis of their epoch-long struggle against the British colonialism. Post-independence, the continuing stranglehold on political power vested in the unseen order, allied with the indigenous Fijian ruling class and Australasian sub-imperialism, represented for them the mass tyranny of a society which sought new avenues for their subjugation and exclusion. The revival of ethnonationalism by the militant Taukeists and the nouveau riche indigenous elites, with tacit support from a small minority of Indo-Fijian corporate elites, insisted on maintaining the political and economic order established during the colonial era.

Indo-Fijians argue that they have been grossly misunderstood in the context of their diaspora in the Pacific, and their duty to confront and oppose colonialism and the phenomenology of racism. Their heightened political consciousness (partly on account of agitation by Indian leaders in India, given they had no other ally at the time) meant that, in the midst of their deprivation, they understood the institutionalisation of poverty was a form of violence, as was colonialism itself. The colonial state apparatus facilitated violence in thought and action, for it was often utilised to inflict direct mental or physical pain to the colonised. What differentiated the Indo-Fijians is their background of a proud and ancient civilisation; they felt it was their moral duty to resist and demand equality with the Europeans, for perpetual submission was cowardice and debasement of their existence. In this sense they were fighting a war for the indigenous Fijians as well, but the Europeans managed to neutralise any possibility of alliance between the two races by institutionalising a chasm between them; siding with or pretending to be the big brother to the indigenous Fijians on critical issues, forever there to impartially protect their vested interests. It is interesting to note that the indigenous Fijian and Indo-Fijian members used to vote together in the Legislative Council on key issues, until the Indo-Fijians were accused of boycotting the war efforts. Here again, perhaps, it more accurate to state that they did not ‘boycott’ war efforts, but rather insisted on wages commensurate with those of Europeans for their services based on principles of equality, as discussed in the preceding section. Other commentators have noted that there was a degree of cooperation and general goodwill between the dominant ethnies.

To the colonial administration, cultivating a sense of propinquity and managing an ad hoc European/indigenous Fijian coalition called for a systematic stratagem to malign the Indo-Fijians, to induce a revival of and ‘inclusion into colonial ideology the notion of paramountcy of

48 For example, Norton 2000b, pp. 149–150.
(indigenous) Fijians interests,’ translated as the ‘paramountcy of eastern (indigenous) Fijian chiefly interests.’ Apart from local European odium bordering on paranoia, there was no shortage of support from pro-imperialist sympathisers, with an all-consuming passion to anathematise Indo-Fijians as heathens, heretics of the empire and apostates to their cause. Even recently, economist John Davies has argued that their servitude under British colonialism was ‘benevolent’ and he questioned the existence of the ‘divide and rule’ strategy, relying on personal correspondence with Sir Ian Thomson, a former colonial administrator, who ‘privately’ informed him that in his fifty years of service in Fiji ‘he never witnessed any direct or indirect efforts to divide and rule.’ This is a remarkable claim, insupportable in the light of the legacy of British colonial institutions in Fiji and commentaries across other British colonies, where the ‘divide and rule’ policy was employed with great success. Colonial treatment of Indo-Fijians can, most charitably, be described as inhumane, vicious or malevolent, and living proofs of suffering are well-documented by two prominent Indo-Fijian academics in their separate studies, both published in 2004. Any British benevolence shown was towards the indigenous Fijians. Either Davies is misinformed about Fiji’s entire history, to absolve the British policy of systematic exploitation of Indo-Fijians and indigenous Fijians, or he is a victim of atavistic Eurocentrism so readily discernable in the colonisers’ version of the recorded history of the colonised world. He stands out amongst the contemporary Western intellectuals in attempting to reconstruct Fiji’s history by defending the indefensible tendencies of British colonialism, its brutality, and its unmitigated racism. His observations lend support to a few self-styled experts who went beyond the call of duty to support the empire on the strategic assumptions of Orientalism, as enunciated by Said.

Of particular relevance to Fiji remains Michener’s Return to Paradise (1950), which encapsulated extraordinarily amateurish observations, racism and rigidity in mis/interpreting the local circumstances of colonial Fiji. Michener’s narrative travelogue is replete with contradictory declarations, indicating his ignorance of Indian culture in his full frontal assault on Indo-Fijians in terms of their loyalty, character, integrity and humanity, for consumption by sympathetic contemporary Anglo-Saxon audiences. To this day, the publication remains discredited for its politicised assertions, outright falsifications and inherent preconceptions, incapable of withstanding scholarly investigation. It suffices to say that Michener emerges as a proponent of intentional ignorance, who simply misunderstood the nature of the enforced colonial order under which Indo-Fijians and indigenous Fijians were corralled. (Europeans, of course, voluntarily...

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49 Durutalo 1986, p. 16.
segregated themselves from all others in the colony.) His deliberate oversight can be contrasted with the observation of a reputable source, which noted that in 1921 European settlers, in response to concessions demanded by ‘Indians’ due to their ‘justified economic grievances’ against CSR’s indiscreet and assertive policies towards the cane growers, called not only for their deportation but also responded en masse with a proposal for a ‘White Fiji’. This was soon after the end of the indenture system in Fiji and its full implications are not widely celebrated in the colonial and post-colonial discourse; in reality, the idea of the expulsion of Indo-Fijians from Fiji originated with the Europeans, and although indigenous nationalists later enthusiastically took up the clarion call, it remains a moment in Fiji’s past that is steeped in racist ideology. As recorded by Gillion, a year later the white settlers continued their agitation for a White Fiji, ‘with daily attacks on [Indo-Fijians] Indians in the pages of the Fiji Times and Herald’, established in 1869 as a pro-white settler newspaper. He quotes from a letter, headed ‘A White Fiji’ and signed by the ‘Southern Division’, that gives some sense of the white settlers’ attitudes and their hostility towards the ‘Indians’:

I would venture to say that 99 per cent of the Europeans in Fiji and the [indigenous] Fijians are loyalists and the handing over of Fiji to evil-smelling, treacherous, non-educated, garlic-eating [Indo-Fijians] Indians would be one of the greatest crimes in the history of the British Empire, and an event which would possibly meet with some opposition.53

Here we not only have clarity but also incontrovertible evidence of white Indophobia and a demonstration of racist tendencies some seventeen years before the declaration of WW2, yet the Indo-Fijians were expected to come to the rescue of the same Europeans when war broke out in 1939. The colonial discourse had in fact blurred the boundaries between racism and the socio-cultural zeitgeist, which became normative; a strategy that helped partition, segregate and compartmentalise the ethnies, in terms of the non-seductive grid through which it construed their world. The colonial tropes had spread throughout the body politic, and, as Lal argued, the contemporary officials and observers earlier experienced no ignominy in their vilification of the girmitiyas as ‘harlots of empire’, the ‘flotsam of humanity’ or a ‘floating caravan of barbarian tourists’.54 Lost in the dialectic of colonialism and the British presumption of guardianship of the native is the finer point on whether in their ‘White Fiji’ the local ‘niggers’ would have been accorded the status of honorary whites, or expelled from their own country (presumably together with the Indo-Fijians). It conjures up images of the ‘wretched’ in an armada of boat-people with

52 Gillion 1977, p. 73.
53 ibid, p. 81.
tickets to nowhere. White settler attitudes demonstrated in reality a broader expression of the perennial subconscious fear of being ‘swamped’; recently reiterated by John Davies in 2004, this is a fear that grips and permeates the Australasian (and the broader European) cultural mindscape even today. It had found resonance in the prevailing social mores of the Europeans, who tolerated racism in the venues such as the Defense Club, Fiji Club, Suva Sea Baths and the Royal Suva Yacht Club, mingling with other business people from New Zealand, Australia and elsewhere. Grudgingly, they would allow only the ‘half-breed’ children access to the Suva Sea Baths, but all others (including the indigenous Fijians) were considered not human enough to enjoy this facility.

According to historians, the white settlers were inclined to create mischief and were the first to articulate stirrings of discontent and perceptions of ‘Indian’ dominance around the mid-1940s, when in reality power rested with a small cabal of whites. Scarr identified two events that exacerbated the situation of Indo-Fijians: the 1946 census that revealed a slight numerical superiority of Indo-Fijians, and the publication of a book, Little India of the Pacific, by an American geographer, John Coulter, who suggested that the Indo-Fijians would overwhelm the indigenous population. These events were critical historical moments when the idea of ‘Indian’ dominance became grounded in the indigenous Fijian psyche. It was immediately after the end of WW2, when a perceived ‘lack’ of Indo-Fijian contribution to the war effort was still fresh in the minds of the Europeans and indigenous Fijians. In 1946, during a hostile debate on the ‘Deed of Cession’, one white settler, Amie Ragg, put forward a motion that:

…the time has arrived – in view of the great increase in the non-Fijian inhabitants and its consequent development – to emphasize the terms of the Deed of Cession and to ensure that the interests of the [indigenous] Fijian race are safeguarded and a guarantee given that Fiji is preserved and kept as a [an indigenous] Fijian country for all time.

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55 Scarr 1984, p. 156.
56 ibid.
58 The American connection to Fiji has always been problematic. Starting in 1849, during the 4th of July celebration, a cannon display by a US trader on Nukulau Island caused fire and damage to property. Following the looting and violence, allegedly carried out by Americans, the US government demanded a compensation of US$45,000 from Seru Cakobau (see Derrick 1946, p. 95). In a strategy of ‘debt enslavement’, the amount was doubled by the Americans with threats of further increases if not settled promptly (Davies 2004, p. 4). See also Scarr 1984, pp. 27–29 where similar amounts are discussed.
59 A consistent pattern of such assertions is found among the writings of many American or European commentators. They hardly ever acknowledge ‘overwhelming’ (or any acts of genocide or annihilation) of Aborigines, Maoris, American Indians or other native populations by whites in other parts of the world. Somehow, European atrocities, their systematic plunder or extermination of natives become justifiable in terms of the Darwinian inevitability of the stronger race displacing the weaker.
60 Scarr 1984, p. 158.
In reality Ragg was attempting to communicate a more subliminal message, meant to portray colonial Fiji as a unique site of liminality, European domination and Indo-Fijian resistance. It envisaged a nation state firmly under the control of whites, with indigenous Fijian paramountcy a convenient artifice to achieve the wider European ambitions. This event represents a milestone in the context of the development of manufactured conflict between indigenous Fijians and Indo-Fijians, and its clever management by whites. Historically, white control of political and economic power facilitated the forces of ferment to constantly regurgitate nationalists’ sentiments to argue for the so-called ‘Fijian Question’. As far as white settlers, like Ragg, were concerned, their control of indigenous political and economic interest was far from harmful.\(^61\) Indo-Fijians unequivocally reaffirmed their position with regard to their adopted country early, through their leader A.D. Patel in the Legislative Council (Legco) in 1946:

We have lived in this country, as sugar in milk, and we shall always live just the same as we have done in the past. It has never been our desire to dominate over anybody, but let it be remembered that we will not tolerate any domination from others as well.\(^62\)

According to Lal, a small minority of whites insisted that Fiji should remain a European colony, by calling for encouragement of more whites from New Zealand or elsewhere to settle in Fiji, to ‘save our [indigenous] Fijian friends from the fear of being swamped.’\(^63\) In the whorls and ellipsis of colonial dialectic, any form of imperial exploitation or escalation of the white population would not constitute ‘swamping’ but more ‘Indians’ would, despite the fact that the economic exploitation was then principally the exclusive domain of white settlers. At the time the Europeans held 45% of the positions in civil service, indigenous Fijians 40% and Indo-Fijians 15%. A small minority of Europeans dominated the Legislative Council, and owned most of the businesses and freehold land excised from indigenous Fijian ownership.\(^64\) For Ragg, Europeans did not pose a threat to the indigenes and they were entitled to more rights because they ‘discovered’ the Fiji islands.\(^65\) Indo-Fijians were hardly swamping any ethnic community and their leaders complained about false assertions and the incitement of racial hatred, but Ratu T.W.T. Vuiyasawa sought unimpeachable guarantees that native land would be forever owned by the native Fijians in the face of the threatened ‘Colossus of Indian domination.’\(^66\) This fear

\(^{61}\) Lal 1992, p. 92.
\(^{62}\) ibid, p. 158.
\(^{63}\) ibid, p. 141.
\(^{64}\) ibid.
\(^{65}\) The colonial discourse generally ignores such contradictions through the hegemony of its language. How one can make that discovery when native Melanesians had been there for some 3500 years remains a mystery but it is indicative of the wider malleability of thought observable in Western historical articulations.
\(^{66}\) Scarr 1984, p. 158.
and hatred of the Indo-Fijians intensified, as the latter asserted their rights and demanded equality for all. After using Indo-Fijian labour to develop the country they became a ‘problem’ for the whites, but their superior Christian morality would have ensured they would only be repatriated, resettled away from the delicate white gaze in Papua New Guinea or Marquesas, where they would ‘end by clawing each other to death, within ten years.‘

There is abundant evidence of the sporadic diatribe against Indo-Fijians littered across the discourse on colonialism in Fiji that systematically and progressively destroyed inter-ethnic relations from the mid-1940s through to most of the 1960s, principally to sustain the colonial order and safeguard the politico-economic supremacy of Europeans in collusion with the chiefs. There is hardly any evidence of European respect or sympathy for the Indo-Indians; their antipathy was articulated through concerns on behalf of the indigenous Fijians. It underscores the real tragedy of race relations in Fiji, accentuating divisions between the two ethnic communities whilst neglecting to address the racial bigotry, duplicity of white settlers and their disproportionate representation in all walks of life. Notably, by this time their kith and kin had managed to almost exterminate the Aborigines in Australia and subdued the Maoris in New Zealand.

Originally instigated by Europeans, the constant reminders of threats posed by Indo-Fijians led to the beginning of this indigenous Fijian refrain and it has not as yet abated. The fear of ‘Indian’ domination was implanted in the indigenous Fijian psyche by the Europeans to maintain control over the country, including the wider aspirations of the two races; this strategy enabled a small posse of Europeans to continue to exploit all three. This thesis will argue that very little has changed in the ‘unseen’ reality of the contemporary Fijian society. The unfounded fear of Indo-Fijian domination remained deeply embedded in the indigenous Fijian consciousness, further ossified by the ethnonationalist rhetoric that emerged as early as 1951, when Ratu Sir Lala Sukuna had to quash a motion from Ravuama Vunivalu (a commoner but married to his niece) to ‘view with alarm the rapid increase in the alien elements in our population,’ and to advise ‘that radical and immediate measures be taken by Government to eradicate the threat to the paramountcy of the [indigenous] Fijian people in their homeland.’

This emerging trend in the indigenous Fijian attitude resurfaced in 1965, when their leadership resolved at a meeting in Nausori, chaired by Ratu Etuate Cakobau, that if Indo-Fijian instigated

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independence came to fruition, they should be asked to leave Fiji.\textsuperscript{69} Through their prominent chiefs, the indigenes viewed the proposed constitutional changes with great apprehension. Similarly, in another instance, in hedging his position Ratu George Cakobau (grandson of Ratu Seru Cakobau and brother of Ratu Etuate Cakobau), who later became the first local Governor-General, cautioned: ‘I have nothing against independence. Let [it] come. But when [it] comes, I should like this recorded in this House – Let the British government return Fiji to [indigenous] Fijians in the state and the same spirit with which [indigenous] Fijians gave Fiji to Great Britain.’\textsuperscript{70} Another senior politician at the time, Ratu Penaia Ganilau, voiced similar concerns regarding changes to the Legislative Council: ‘the running of this colony must be handed over [to] the [indigenous] Fijians – by that, I mean administratively, and politically.’\textsuperscript{71} These sentiments were clear indications of the attitude of the indigenous Fijian establishment and the determination of the powerful Chiefs not to relinquish political power to other races, and the Indo-Fijian leadership may well have underestimated the indigenous determination to maintain political supremacy. The chasm between the races was so deeply entrenched that it could not be dispelled even by perceptions of initial Indo-Fijian resistances to colonialism and their endeavours to politically liberate the country. Some prominent indigenous Fijians gave the impression of failing to appreciate that independence would also afford them self-determination and freedom from colonial exploitation and white domination.

Within two years after independence the nationalist attitudes hardened further, when in 1972, Viliame Savu, affiliated with the Fijian Independent Party, argued that only indigenous Fijians must ‘decide the destiny of their land.’ This eventually led to more strident demands from the leader of the Fijian Nationalist Party, Sakiasi Butadroka, in 1977, to repudiate the policy of ‘multiculturalism and equal political coexistence’ in favour of ‘Fiji for [indigenous] Fijians.’\textsuperscript{72} These policies emerged in the wake of the launch of his political party in December 1976, with a key platform to repatriate Indo-Fijians to India, which ‘seemingly reflected the feelings of large sections of the [indigenous] Fijian community.’\textsuperscript{73} As a young student, I remember this as a terrifying experience for most Indo-Fijians, because the nationalists’ rhetoric seemed to mimic the sentiments of Idi Amin Dada, who had seized power in Uganda in January 1971 after deposing Milton Obote. His ensuing despotic rule was characterised by the expulsion of some 80,000 Asians and all Europeans from Uganda. Idi Amin was often caricatured as a buffoon in the Western media, but his brutal regime was closely identified with extra-judicial killings,

\textsuperscript{69} ibid, p. 170.
\textsuperscript{70} Meller and Anthony 1968, p. 103, cited in V. Lal 1990, p. 5.
\textsuperscript{71} Watters 1969, p. 24, cited ibid.
\textsuperscript{72} Lal 2006, p. 41.
\textsuperscript{73} ibid.
ethnic persecution, the repression of political opponents, and appalling human rights abuses. Like tyrants before him and many since (an excellent current example is Robert Mugabe in Zimbabwe), he had declared an economic war and instituted policies aimed at the expropriation of properties and businesses owned by Asians and Europeans, which were later handed to his supporters. Through gross financial mismanagement, lack of fiscal restraint and expertise most businesses collapsed, accelerating the demise of the country’s economy. To most Indo-Fijians it was a humiliating experience, with the European attitude of condescending sympathy laced with the inference that Indo-Fijians were somehow responsible for the indigenous Fijian predicament. Conversely, whites saw absolutely nothing wrong in their colonial exploitation, racism or imposition of an alien capitalist economy on the indigenous Fijians, who struggled to come to terms with its intricacies. Despite the historically significant role played by the whites in reshaping the Fiji Islander society and its impact on subsequent socio-political developments in Fiji, to this day Europeans seldom accept any responsibility for creating conditions for possible inter-ethnic conflicts in Fiji, or for the economic backwardness or educational underdevelopment of the indigenes. They are perceived as ‘white knights’ who brought civilisation, peace, progress and stability to Fiji. Nevertheless, the vast majority of indigenous Fijians remained dissatisfied with the progress, status and role assigned to them in the colonial and post-colonial society. In the following section we examine their principal grievances and how they found their way into the articulation of the factors thought to have contributed to the coups.

5.3. Key Demands of the Nationalists and their Non-Negotiability

The recurrent nationalistic ideology, which broadly mirrors the more strident demands of the militant indigenous Taukei Movement, is underpinned by three dominant themes: the recognition of indigenous Fijian paramountcy in all matters of national interests; the absolute and unimpeachable guarantee that indigenous Fijians, and they alone, should be the sole owners and arbiters on matters pertaining to land; and political hegemony in perpetuity, which is constitutionally-sanctioned and implicitly accepted by all other ethnic communities. To the indigenous nationalists, post-coloniality highlighted the failures of their leadership to secure economic and political sovereignty and its attendant inability to restore indigenous institutions and cultural products of their nationalism, which they viewed as being emasculated by colonialism and neocolonialism. The frequency of their nationalistic or discordant expressions increased and gained momentum soon after the formation of the FNP, when its leader, Sakiasi Butadroka, called for the repatriation of all Indo-Fijians to India at Britain’s expense, on the

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strength of the failure by Britain to consult the indigenous Fijians prior to the transmigration of ‘Indians’ to Fiji. After Apolosi Nawai in the early 1900s, Butadroka emerged as the most potent voice for articulating indigenous Fijian ethnonationalism, and in the process he exposed serious cracks in indigenous solidarity by mounting a challenge to the hegemony of the eastern maritime chiefs. The key planks of his party’s platform launched prior to the 1977 elections had a familiar ring to it.75

- Prior recognition of the paramountcy of indigenous Fijians interests at all times.
- Positions of Governor-General, Prime Minister, and key Ministries of Fijian affairs and rural development, lands, education, agriculture, home affairs, commerce and industry and co-operatives to be reserved for indigenous Fijians.
- Increased opportunities for indigenous Fijians to engage in commerce and businesses.
- Complete opposition to accepting common (electoral) roll.
- Government to provide funding to strengthen the Fijian administration system.
- Provision of pensions for ex-servicemen who are almost exclusively indigenous Fijians.
- Establishment of an indigenous Fijian Institute to train them in business practices.
- Repatriation of all Indo-Fijians to India after independence.
- Increased concentration of government development projects in rural areas.
- Expansion of the RFMF’s trade section as a means to ease unemployment.
- All lands thought to be illegally sold or alienated to be returned to indigenous Fijians.

By 1976, similar remarks were echoed in the Fijian Senate by Senator Inoke Tabua, who emerged as a leading member of the Taukei Movement after the first coup. In terms of his suggestion though, only 100,000 Indo-Fijians should be deported from Fiji. Their motive then was to ‘thin out’ the Indo-Fijian population.76 Even the racist nationalists were not however completely oblivious to the usefulness of Indo-Fijians to the economy; they realised that any calls for wholesale deportation would probably have been disapproved, but that ‘thinning out’ was more likely to achieve a permanent hold on political power without widespread censure. It represented a serious threat to the policy of multiculturalism and diversity then pursued by the Alliance Party, and Prime Minister Ratu Mara’s response clearly expressed the fears he held for the increasing tolerance of such extremist views:

76 This objective has been achieved, as after the first coup a far greater number of highly skilled and unskilled Indo-Fijians (and many indigenous Fijians and part-Europeans) have emigrated mainly to Australia, New Zealand, the US, and Canada.
It is now being suggested that there are sections of citizens of Fiji, particularly the [Indo-Fijians] Indians, who have not the same rights as any others. I do not see that. If I made a mistake at the Conference (1970), please do not support me at this forthcoming election (1977). I would rather square my conscience with God then to be voted back into Parliament under false pretenses…If you start removing [Indo-Fijians] Indians, the next ones will be the Chinese, the third ones will be the Europeans, and the fourth will the Lauans.77

For most of his political career Mara was much admired as a moderate leader, and he repeated his concern in late 2000 to the Lau Provincial Council: ‘If Indians [Indo-Fijians] are forced to leave Fiji, the next group of people will be islanders who have made a living in Viti Levu.’78 His concern must have rested on the realisation that since the first coup in 1987, the ‘Fiji state has defined Fijianess more exclusively,’79 and even a powerful Melanesian leader like Dr. Timoci Bavadra had his identity questioned, forcing him to defend his Fijianess quite frequently.80 If indigenous Fijians did not accept an educated, moderate, Melanesian Fijian married to a chief as an acceptable leader, it was always going to be difficult for any Indo-Fijian or ‘Others’. The 1990 Constitution re-categorised Pacific Islanders in the electoral roll and defined ‘Fijians’ as indigenous people who are registered in the VKB. In 1993, a committee was set up to cleanse from the VKA all mataqalis who failed to meet the stringently-enforced rules relating to patriarchy. These developments exposed an intra-Fijian rift, and in that year some nationalists formed a ‘Viti Levu Council of Chiefs’ in opposition to the GCC, dominated by the chiefs from the eastern provinces. In the ethnicisation of politics, race and kinship have been the central preoccupation of the Fijian establishment and the chiefs. Although it proved to be culturally counter-productive, after his coups Rabuka unflinchingly declared in 1994: ‘Apartheid here in Fiji is a necessary evil. The interests of indigenous people come first.’81 His co-conspirators and nationalists further argued that any opposition to their demands (even if based on their presumption of a distorted reality) would constitute ‘direct interference in the sovereignty of this nation’ or even ‘an act of war.’82 Collectively, the early nationalists’ sentiments and their post-coup utterances did not constitute idle threats and canny politicians would have seen the writing on the wall as early as 1940s.

Ratu Mara’s reference to the potential for deportation of Lauans dealt with his fear that his own identity and rights could be questioned under certain circumstances by the indigenous

77 Cited in V. Lal 2000.
78 Cited in Robertson 2005, pp. 1–2.
79 ibid.
80 Lal 2006, p. 61.
82 ibid.
Melanesian Fijians (the Taukeis): he was a direct descendent of Ma’afu, a Polynesian and relative of King George of Tonga, who settled in Lakeba in 1848 – merely thirty-one years before the first Indo-Fijians arrived in Fiji. It is on the basis of historical facts that some indigenous Fijians disputed Ratu Mara’s prior claim to promote indigenous causes on account of his lineage, yet he progressed to being the most powerful indigenous Fijian leader until 2000. Unlike the Indo-Fijians, the Tongans were eventually accepted as indigenous Fijians once they chose to relinquish their links with Tonga and decided to stay in Fiji. The Indo-Fijians have long severed their links with India but they have not been accorded similar recognition – it would appear, on the basis of their ethnicity and culture, which are perceived threatening to indigenous paramountcy.

In fact the re-emergence of indigenous nationalism and the FNP’s public renunciation of the Indo-Fijians undermined indigenous Fijian solidarity; during the April 1977 elections it split indigenous votes, thereby delivering an unexpected narrow victory to the NFP for the first time. However, it was an inopportune moment for the Indo-Fijians because apart from the nationalists’ agitation, the NFP victory was soured by unwelcome political developments outside Fiji (especially in Kenya since 1963 and Uganda in 1971), and their own political party was riddled with factional in-fighting. Due to internal differences on who should lead the party, four days after their victory the Governor-General Ratu George Cakobau, in ‘exercising his deliberate judgment,’ re-appointed Ratu Mara the Prime Minister, even though he had just lost the election. Most commentators suspected Karam Ramrakha of betraying his party (the NFP) by meeting Ratu Cakobau, but he denied it under oath, declaring: ‘The brute and undeniable fact is that when S.M. Koya went to the governor general to become prime minister, the governor general alone, refused to make him prime minister.’ Ratu Cakobau’s intervention had breached the Westminster convention, which called for the parliament to decide the outcome by a vote of confidence. Most expert opinion suggested the Governor-General erred in circumventing an

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83 Peter France (1969) noted that the Tongan leader, Ma’afu, helped the ailing Tui Nayau (Chief of Lauan group of islands) and secured the islands of Moala, later absorbed into the Lau Group. In 1855 he quelled religious war in Vunaabalavu and eventually assumed control of the island. Later he aligned himself with Tui Cakau and Tui Bua, thus extending his influence over Vuna Levu. In a regional war, he then defeated Tui Macuata, Ritova, replacing him with a chief more loyal to him. By the time of first offer to Britain in 1859, his control and power over northwestern Fiji was unsurpassed. He nearly succeeded in forging unity between provinces of Vuna Levu and Lau by creating Tovata but his proposals for a confederation failed. He instigated the raising of Tongan flag in Lakeba, aiming to assume control of Lau group by stating the chief had declared it a Tongan territory. It implicated the Tongan government in internal Fijian affairs and it ordered Ma’afu to remove the flag and desist from political activism. His influence did not abate and in 1869, after a meeting of Lauan chiefs, he was elected a Fijian chief with the title of Tui Lau. Ma’afu was a cunning and skillful leader who played a prominent role in the negotiation of the Deed of Cession in 1874 and was a signatory to this historic document.

84 Durutalo 1986, p. 27.
established parliamentary convention and predetermining the result of a vote of confidence.\textsuperscript{87} Indigenous academic Steven Ratuva argues that this episode could be classified as a ‘constitutional coup’.\textsuperscript{88} A legal expert closely allied with the revision of the 1990 Constitution also considers this ‘in reality the first hidden coup by so-called nationalists,’\textsuperscript{89} because Ratu Cakobau denied S.M. Koya (1923–1993)\textsuperscript{90} the prime ministership on the pretext of threats of violence and destabilisation of the country by the nationalists, and his wider concerns about the ability or the inclination of the army and police forces to effectively deal with those potential threats. In terms of other concerns previously articulated by the nationalists and some senior chiefs, Cakobau’s decision makes greater sense in the light of Rabuka’s admission that there was a discussion of a possible military takeover, during the period of uncertainty created in the immediate aftermath of the 1977 election.\textsuperscript{91} It was the first ‘denial of democracy’, as the actions of the Governor-General\textsuperscript{92} quite unambiguously indicated the determination of the chiefs to hold on to power by any means, including deferring to the hard-line nationalistic sentiments as a bulwark to safeguard their self-interests. By the mid-1970s indigenous Fijians had clearly declared their intentions, but as subsequent events were to show, the Indo-Fijian leadership either misread their declared intentions or failed to fully grasp the seriousness with which the nationalists intended to prosecute their claim to political supremacy. The upgrading of military capability and re-training of armed forces (mainly by the US, UK, Australia and NZ), for deployment as UN peace-keeping forces in the Middle East and other theatres of war, could also be interpreted as pre-emptive actions by the Mara government/RFMF/GCC to adequately prepare for anticipated domestic conflicts. The official explanation for this engagement was to fulfill Fiji’s international obligations and enable soldiers to earn much-needed foreign currency, but its broader implications become clearer in the light of the role played by the RFMF in executing the coups and the positions they adopted in post-coup mediations. The chiefs were prepared to foreclose on the ‘second mortgage’ bequeathed to them by the British, as the 1987 coups and other subsequent events have proven.

The aftermath of the 1977 election witnessed the triumph of a more forceful ethnonationalism and even the GCC, succumbing to the FNP/nationalists’ demands, called for the amendment of

\textsuperscript{87} This view is held by many constitutional law experts and other observers, including Lal 2006, p. 38.
\textsuperscript{89} Wilson 2000.
\textsuperscript{90} A lawyer installed as the leader of the NFP after the death of A.D. Patel.
\textsuperscript{91} Dean & Ritova 1988.
\textsuperscript{92} There was an existing legal precedent, set in November 1975, when the Australian Prime Minister Gough Whitlam was dismissed by the Governor-General Sir John Kerr. Apart from speculation on the implications of the ‘Loans Affair’ and the possibility of a ‘mole’ in the Whitlam cabinet, ‘an expert on US Defence and Intelligence’ stated that ‘Sir John Kerr did what he was told’ (Sydney Morning Herald, 6 February 1988, p. 13).
constitution to reserve two-thirds of the seats in parliament for the indigenous Fijians as well as the position of the Prime Minister and the Governor-General. The GCC’s support was indicative of their concerns for self-interest and growing political awareness among the indigenous Fijian masses. Butadroka had made an aggressive incursion into ethno-politics and shaken the complacency of the Chiefs. At the next elections in 1982, Butadroka’s FNP continued to maintain its ‘Fiji for [indigenous] Fijians’ mantra and revised its strategy to lift the party’s profile, by incorporating four additional requirements to the existing list of their demands mentioned above:

- by constitutional amendment, 90% of seats in the parliament to be reserved exclusively for the indigenous Fijians,
- all traditional fishing rights (qoli qoli) to be returned to indigenous Fijians,
- all freehold and crown schedule A & B lands to be returned to indigenous Fijians, and
- all indigenous school children to be provided with free and compulsory education.

The Qarase government successfully implemented their last two demands, and had introduced a bill in Parliament to enshrine into law the second demand when it was ousted from power in December 2006. In regard to their first demand, with the exception of the Chaudhry government (and for a month and two days under Bavadra), the indigenous Fijians had been grossly over-represented in parliament under a succession of governments led by Mara, Rabuka and Qarase.

In anticipation of the 1982 election, the FNP and WUF had formed a coalition and the election results confirmed their policies had a lot of support within the indigenous Fijian community. The urban nationalists supported their hard-line agenda; the western landowners led by Ratu Gavidi’s WUF had galvanised their opposition to the Alliance Party’s acceptance of British Petroleum (BP) Southwest Pacific Limited’s proposal for the harvest of mature pine forests in western Viti Levu. There are remarkable parallels with the circumstances surrounding the mahogany timber harvest issues which embroiled the Chaudhry government in 2000, more fully discussed in Chapter 3. However, by the time the 1987 election arrived the nationalists had toughened their anti Indo-Fijian stance. Whilst maintaining the general thrust of their previously declared policies, they sought to promote inegalitarian indigenous interests by actively encouraging Indo-Fijian emigration, so as to ‘thin out’ overall numbers, as Inoke Tabua had...
demanded in the Senate in 1976. The nationalists suggested that the poor indigenous participation in commerce and industry was a ‘direct result of a conspiracy of the Indo-Fijian and European business classes.’ This was an interesting observation because historically there has been only limited co-operation or close business relationships, joint-ventures or business-to-business engagement between the two communities. The nationalists continued to demand more appointments of indigenous Fijians in the public sector and argued for an exclusive Taukei parliament by amending the 1970 constitution. They believed ‘absolute [indigenous] Fijian control’ of political processes was a precondition for their economic and social advancement.

As it turned out, the Alliance again came close to losing in 1982 and then lost the 1987 election, due in part to the dispersal of indigenous Fijian votes across a wide range of political parties and the attraction of more popular FLP policies among the emerging middle classes. However, the nationalist’s political rhetoric had found sympathy and resonance amongst the indigenous Fijians and when the FLP won in 1987, all their latent fears came to be realised at once and brought to the fore a sense of collective antipathy. The violent path chosen indicates that ‘below the veneer of civility and indifference lurks the monster of collective ethnic suspicion and hate.’

In a significant development, for the first time during the 1987 elections, the political leaders of the main opposition parties and the incumbent Alliance government were indigenous Fijians. It is arguable for this reason that the more raucous expression of nationalistic demands did not manifest itself until the formation of the militant Taukei Movement, by the former politicians, malcontents and disaffected indigenous Fijians in the wake of Bavadra’s victory in 1987. Their agitation and conspiracy to overthrow the new government culminated in the first Rabuka coup of 14 May 1987. It was only after this coup that Mara began to support special indigenous rights and the paramountcy of the indigenes. These views were quite different from his earlier stance; it represented a more subtle approach at placating nationalistic indigenous expressions of exclusivity and political hegemony. He urged the recognition of special indigenous rights under international law and concurred with ‘affirmative action to guarantee and protect the rights and aspirations of [indigenous] Fijian people against other communities.’ He erroneously compared the situation of indigenous Fijians with the ‘destiny of the indigenous Aztecs of Mexico, the Incas of Peru, the Mayas of Central America, the Caribs of Trinidad, the Amerindians of Guyana, the Maoris of New Zealand, and the Aborigines of Australia.’ In reality, the situation of indigenous Fijians was quite dissimilar to all these groups. Mara now claimed that the

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97 ibid, p. 56.
98 ibid, p. 57.
99 ibid.
100 Premdas 1993, p. 37.
Melanesians had settled in Fiji for some 3,500 years and ipso facto they were entitled to paramount control of Fiji. By 1987, in terms of their public utterances, it was increasingly clear that the three prominent chiefs (Cakobau, Ganilau and Mara) were not committed to democracy, emulating the stance historically adopted by the Europeans and paying only lip service to cultural pluralism. They had propagated a presumption of a ‘victim syndrome’ in an attempt to conceal the complicity of the GCC with the unseen order, and the failures of their own leadership in order to secure hegemony over the indigenes. Their motivations and alliance with the unseen order does not fully explain the cultural context of the indigenisation of a Tongan, (guest/foreigner/vulagi) the ancestor of Mara, who became a fully-fledged indigenous Fijian eventually elevated to the status of a high chief. His descendants and those of Tui Bua have been integrated into indigenous Fijian society despite their ‘Polynesianness’. They had settled in Fiji merely thirty years before the arrival of the ancestors of Indo-Fijians. Despite these perceptions, Mara could become a paramount chief, hold the office of the Prime Minister and the President. In contrast, Indo-Fijians only appear to be asking for recognition of equal rights and full citizenship in their country of birth, to which they have made enormous contribution. In terms of the bellicosity of the indigenous Fijian position and its rejection of equal rights for ‘other’ citizens of Fiji, it would be logically sound for all countries where indigenous Fijians live to deny them equal status, the right to beneficially hold interest in land, disqualify them from aspiring to any higher offices, or expect them to forever remain a guest/vulagi, and only to be referred to as indigenous Fijians, with accompanying threats of repatriation to Fiji for being too successful if they ever become so.
Chapter 6

Vanua,¹ the Core Issue of Fijian Politics
and the Myth of Threats to Native Leases

The previous chapter dealt with the differing perceptions of Fijian society, historical representation of ethnies and colonial strategies which ran counter to public stances in favour of cultural pluralism. It argued that these contributed to the underlying causes of the well-known indigenous grievances that would form the basis of the nationalist arguments for the justification of the coups. This chapter sets out to dispel the myth of threats posed by Indo-Fijians to native titles as a result of land leases issued through the NLTB. This misconception or ‘imagined’ threat is at the heart of the inter-ethnic conflict in Fiji. This chapter argues that indigenous Fijians already had control and ownership of some 83% of all lands before the arrival of the ‘girmit’ labour force in 1879. In terms of the colonial schema, this recognition of indigenous Fijian land rights occurred at the height of the exploitation of other colonies and securing of cheap labour, or ‘black birding’, during the era of British colonialism in the Pacific. Although not without ulterior motives, as part of its divide and rule strategy, the British promoted this extraordinarily benevolent gesture and goodwill towards the native Fijians but, as history has shown, it failed to serve the broader economic interests of the indigenes.

The principal objective here is to demonstrate how the enactment of land administration legislation, based on a customary land tenure system and its protectionist policies, broadened the schism between the two communities and severely disadvantaged the indigenous Fijians in terms of their economic advancement. The deployment of indigenous radicalism post-coup has enabled further consolidation of indigenous ownership of native land, increasing it to some 90% of the total land area deemed as ‘customary lands’. The remaining lands represent ‘freehold’ or ‘state-owned lands’, which have been developed into valuable urban, commercial, industrial and agricultural lands.² This hybrid land administration system inherited from the British is a major contributor to disputations, which spill over into other forms of politically-motivated conflict between the two major ethnic communities.

¹ The literal meaning of ‘vanua’ is land. It is however a very broad concept, encompassing resources, forests, soil, flora, fauna, rivers, mountains and people, including their past, present and future spiritual and genealogical relationship to their surroundings. It extends to the traditional Fijian leadership over villages whose allegiance resides with a chief. Parallel meanings are found in other Pacific islands: fanua in Samoa, fonua in Tonga, fenua in Tahiti, and whenua (Maori) in New Zealand (see Waqaisavou 2001, p. 6).
² Fonmanu, Ting & Williamson 2003.
6.1. The Controversy Relating to Control over Land and Perceptions of Threats

The British colonial rule over indigenous Fijians or its ‘native policy’ found expression through the Native Affairs Ordinance (NAO) of 1876, which centralised control over all provinces or chiefdoms and simultaneously instituted dramatic changes to native Fijian institutions and their traditional social systems. Three years prior to the arrival of the ‘Indian’ workforce, the colonial initiatives under the NAO set out to achieve three strategic objectives: (i) the enactment and reconstitution of a native landholding system; (ii) the creation of a separate native Fijian Administration, which facilitated the enforcement of a reconfigured communal system and effectively relegated indigenous Fijians to a subsistence economy; and, (iii) the reorganisation of the Fijian chiefly system by formalising the structure of the Great Council of Chiefs and emasculating it, to a point where it served the wider interests of the colonial administration or the core ethnic represented by the powerful white minority. These measures were tantamount to a form of colonial affirmative action program, with ulterior motives, that, in hindsight, produced deleterious consequences for the indigenous Fijians; it has been argued by many commentators that they are still suffering from the long-term after-effects of the strategies adopted by the colonisers. In the process of segregating the native population under the Fijian Administration system, the exclusively indigenous institutions of the NLTB, Ministry of Fijian Affairs, and the Fijian Affairs Board were also established. The British effort at colonial re-engineering of indigenous affairs laid the foundations for ongoing ethnic tensions, and it has been instrumental in enforcing the ‘divide and rule’ policy which progressively bi-polarised and extirpated the possibility of inter-ethnic rapprochement between the Indo-Fijians and the indigenes. The indigenous Fijians were profoundly affected by the administration system and to this day it accounts for their ‘economic backwardness’ and associated grievances, generally recognised as the ‘Fijian Question’.

One positive benefit under the Fijian administration was that, compared with many colonised peoples, the indigenous Fijians found themselves in an enviable position of not only remaining relatively privileged landowners but also having lawful control over their land early in their colonial history, pursuant to the passing of the 1880 Native Lands Ordinance (NLO). This legislation made land inalienable and Governor Sir Arthur Gordon ‘deliberately misread the Deed of Cession’ to give them virtually all the land not subject to alienation in the archipelago.

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4 It is a simple two-page document dealing principally with the transfer of sovereignty to the British Crown. After the preamble, there are only seven clauses, three of which (clauses 4, 5 & 6) make brief references to land. It was
[Indigenous] Fijians also had substantial control of their own affairs through the Fijian Administration, a structure culminating in the annual Council of Chiefs… Early historians recognised that the aim of Gordon’s policy was to initially secure indigenous Fijian paramountcy and prevent the ownership of land passing directly to a relatively small number of white settlers. It was all the more remarkable because the doctrine of terra nullius had been applied in Australia and Papua New Guinea, where the presence of indigenes was not denied but ownership was, when the colonialists argued, on the strength of Locke’s assertion, that the title to land or rights to its use was contingent upon physical exertion of labour to improve it. Apart from shielding the native Fijians from the unscrupulous activities of early white settlers that threatened the indigenous control of their land, the NLO and native policy were intended to protect native Fijians from themselves, as these observations by historian France suggest:

Land was not always sold for money or trade goods. It was the habit of the leading chiefs who employed white men in various capacities to grant pieces of land ‘for services rendered’: William Berwick, an American Negro who built a boat for Cakobau (the paramount chief, EU), was given, in return, a block of 3,000 acres on Koro Islands; Tui Kilakile granted the island of Kioa to William Owen in return for a passage for himself and his retinue from Cakaudrove to Bau. He ‘went through the business’, in the words of an onlooker, ‘with amusing indifference’. His nephew, with the family penchant for traveling in style, gave 1,200 acres of land at Nukudamu in return for a thirty-day charter of the ketch Lady of Palmerstone.

The end of indenture had forced reexamination of all issues pertaining to land, in the light of the colonial attempt at social engineering and institutionalisation of ethno-politics; firstly, between Europeans and native Fijians, and later, involving Indo-Fijians. The trigger for this could also have been the greater assertion of independence and more robust demands for recognition of their rights by the newly- liberated diasporic labour, spurred on by Gandhi’s agitation against British rule that confronted all underlying inequities of imperialism in the lives of subjugated people everywhere. Periodic dispute over land leases and their exploitation to preserve minority Europeans domination was escalated through political mobilisation of the indigenous Fijians. The motivations for the ensuing crises have been examined in some depth by Kenneth Gillion, who explored early ‘Indian’ resistance to European domination of Fiji from the time of their arrival up to 1946, this often manifested in riots and regular disputations between CSR and the executed at Levuka on 10 October 1874, signed by Cakobau R. (Tui Viti & Vunivalu) with twelve other Chiefs, the representative of Queen Victoria (Sir Hercules Robinson), and the Chief Interpreter (D. Wilkinson).

5 Scarr 1984, p. 86.
6 See Derrick 1946; France 1969.
Indo-Fijian farmers, who defied the regimented lifestyle imposed on them by the company. The period after 1946 up to Fiji’s independence in 1970, though not covered by Gillion, was equally marred by strikes and disagreements as the farmers became unionised, experimented with cooperatives or pursued other avenues for collective bargaining. For example, there were militant strikes in 1921, 1943, and three in 1957 but it was not until December 1959 that closer cooperation between Indo-Fijians and indigenous Fijians emerged, when 300 oil workers went on strike.\(^9\) In addition, there was a major dispute in the sugar industry in 1960, necessitating a Commission of Inquiry chaired by Sir Malcolm Eve. The sugar contracts issued on the recommendations of the Eve Commission expired on 31 March 1970, and instead of industrial action, the farmers and CSR then chose the more sensible option of arbitration, which led to the now famous Award of Lord Denning in the Fiji Sugar Cane Contract Dispute of 1969.\(^10\) This tried to redress the unfairness contained in the Eve Contract, widely regarded as weighted against the farmers.

It is generally accepted that land and issues surrounding threatened ownership, development, access to and use of land have been (and continue to be) at the heart of social, political and economic debate in Fiji, from the time it was ceded to Britain in 1874. However, the ownership of land was not subject to disputation as ‘that question was permanently solved by constitution (and common sense) – access to it and security of tenure were.’\(^11\) Notwithstanding any Indo-Fijian aspirations for greater autonomy, early colonial legislation and all of Fiji’s Constitutions gave full weight to the native ownership of land and its inalienability, thus ensuring that the majority of lands remained customarily owned by the indigenous people; their ownership wasn’t historically undermined or challenged by other races, including Indo-Fijians. In the terms of a 1965 study, Fiji’s ‘total land area is about 7,000 square miles,’\(^12\) of which about 83% was owned and controlled by indigenous Fijians (Table 6.1). The Crown Schedule A and B lands were returned to the mataqalis by the Qarase government in the terms of the Native Lands Trust (Amendment) Act No. 12 of 2002, increasing indigenous Fijian control of lands to about 87.9%.\(^13\) Of these two classes of state land, Schedule A comprises ‘native land’ that became crown land after all claims by the mataqalis were extinguished, whereas Schedule B represents ‘state land’ without any prior indigenous claim to ownership. Some indigenous Fijians have also acquired freehold land after the coups but, for the most part, there appears to be an absence of

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\(^11\) Lal 2006, p. 28.
\(^12\) Twyford & Wright 1965.
\(^13\) The Daily Post, 7 September 2002; Boydell 2001; Prasad 2006.
reliable data on increased indigenous land ownership. Currently, indigenous Fijians are entitled to financial assistance from the government to acquire freehold land when it becomes available for sale. This policy, whilst motivated by bona fide concerns for the communal interest of indigenous Fijians, is nonetheless discriminatory to the other communities and not necessarily in the national interest.

Table 6.1: Categories of Land Ownership

<table>
<thead>
<tr>
<th>Types of land</th>
<th>Area (in acres)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. [Indigenous] Fijian customary owned land</td>
<td>3,714,990</td>
<td>82.60</td>
</tr>
<tr>
<td>2. Rotuman customary owned land</td>
<td>11,000</td>
<td>0.24</td>
</tr>
<tr>
<td>3. Freehold land (other than state freehold)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Europeans &amp; part Europeans</td>
<td>246,242</td>
<td>5.50</td>
</tr>
<tr>
<td>(b) [Indo-Fijians] Indians</td>
<td>75,830</td>
<td>1.70</td>
</tr>
<tr>
<td>(c) Chinese</td>
<td>5,081</td>
<td>0.10</td>
</tr>
<tr>
<td>(d) Rabi Islanders</td>
<td>16,950</td>
<td>0.40</td>
</tr>
<tr>
<td>(e) Kioa Islanders</td>
<td>4,600</td>
<td>0.10</td>
</tr>
<tr>
<td>(f) [Indigenous] Fijians</td>
<td>7,532</td>
<td>0.20</td>
</tr>
<tr>
<td>(g) Other races</td>
<td>2,688</td>
<td>0.06</td>
</tr>
<tr>
<td>4. State freehold lands*</td>
<td>161,690</td>
<td>3.57</td>
</tr>
<tr>
<td>5. Schedule A Lands*</td>
<td>149,500</td>
<td>3.31</td>
</tr>
<tr>
<td>6. Provisional Schedule A Lands</td>
<td>40,910</td>
<td>0.90</td>
</tr>
<tr>
<td>7. Schedule B Lands</td>
<td>75,320</td>
<td>1.67</td>
</tr>
</tbody>
</table>

* Some of these are also held by indigenous Fijians

Table 6.1 illustrates graphically the impact of early protection afforded to the indigenes in respect of their land, and the marked differences in land holdings based on ethnicity. In fact, only about 24% of the total native lands are leased (as shown in Table 6.2). Following the reversion of Crown Schedule A and B lands, indigenous Fijians (52% of population) have effective ownership and control of some 90% of the land, whereas Indo-Fijians (37% of population) have control over less than 3% of the non-native lands (Table 6.1), with access to a little over 13% of native lands by way of leases (Table 6.3). Despite the uncontested clarity on the ownership of lands, the broader issue of land reforms remains a politically sensitive topic. Within three weeks of the 2000 coup, the head of NLTB, Marika Qarikau, circulated a “Deed of Sovereignty” which, among other things, demanded the return of all state and freehold land to the NLTB.14

Significantly, of the total agricultural NLTB lands (approximately 25%), Indo-Fijians have access to only little over half for combined agricultural and all other requirements. As noted in Table 6.2, the Europeans, part-Europeans and Others, who comprise a mere 2% of total population, control about 13% of prime freehold properties, plus they retain interests in NLTB

leases, but on the whole there appears to be little or no indigenous emotionalism associated with these holdings.

Table 6.2: Distribution of land types by Provinces showing % of native land leased

<table>
<thead>
<tr>
<th>Province</th>
<th>Freehold Land</th>
<th>State Administered Land</th>
<th>Native Land</th>
<th>*Native Land Leased</th>
<th>% Native Land Leased</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ba</td>
<td>10,323</td>
<td>34,525</td>
<td>203,505</td>
<td>77,706</td>
<td>38%</td>
<td>248,354</td>
</tr>
<tr>
<td>Bua</td>
<td>17,725</td>
<td>286</td>
<td>117,086</td>
<td>33,144</td>
<td>28%</td>
<td>135,097</td>
</tr>
<tr>
<td>Cakaudrove</td>
<td>50,512</td>
<td>4,483</td>
<td>216,454</td>
<td>22,711</td>
<td>10%</td>
<td>271,449</td>
</tr>
<tr>
<td>Kadavu</td>
<td>1,717</td>
<td>51.05</td>
<td>45,328</td>
<td>2,188</td>
<td>5%</td>
<td>47,096</td>
</tr>
<tr>
<td>Lau</td>
<td>4,490</td>
<td>315.65</td>
<td>44,933</td>
<td>1,133</td>
<td>3%</td>
<td>49,738</td>
</tr>
<tr>
<td>Lomaiviti</td>
<td>5,583</td>
<td>678</td>
<td>29,903</td>
<td>2,551</td>
<td>9%</td>
<td>36,164</td>
</tr>
<tr>
<td>Macuata</td>
<td>12,595</td>
<td>4,054</td>
<td>178,230</td>
<td>67,475</td>
<td>38%</td>
<td>194,880</td>
</tr>
<tr>
<td>Nadroga/Navosa</td>
<td>6,205</td>
<td>3,752</td>
<td>206,578</td>
<td>45,236</td>
<td>22%</td>
<td>216,536</td>
</tr>
<tr>
<td>Naitisiri</td>
<td>7,343</td>
<td>4,290</td>
<td>144,414</td>
<td>21,000</td>
<td>15%</td>
<td>156,047</td>
</tr>
<tr>
<td>Namosi</td>
<td>386</td>
<td>11,241</td>
<td>52,894</td>
<td>3,945</td>
<td>7%</td>
<td>64,521</td>
</tr>
<tr>
<td>Ra</td>
<td>5,815</td>
<td>2,145</td>
<td>98,682</td>
<td>29,289</td>
<td>30%</td>
<td>106,642</td>
</tr>
<tr>
<td>Rewa</td>
<td>2,661</td>
<td>344</td>
<td>21,380</td>
<td>1,483</td>
<td>7%</td>
<td>24,385</td>
</tr>
<tr>
<td>Serua</td>
<td>12,297</td>
<td>98.62</td>
<td>45,303</td>
<td>28,553</td>
<td>63%</td>
<td>57,699</td>
</tr>
<tr>
<td>Tailevu</td>
<td>4,437</td>
<td>1,364</td>
<td>86,434</td>
<td>23,059</td>
<td>27%</td>
<td>92,234</td>
</tr>
<tr>
<td>TOTAL</td>
<td>142,089</td>
<td>67,628</td>
<td>1,491,125</td>
<td>359,473</td>
<td>1,770,842</td>
<td></td>
</tr>
</tbody>
</table>

* Native Land leased excludes Timber Concessions which comprises an area of about 270,759 hectares.
** NLTB advises “difference shown for State lands and Native land with those compiled by other sources may occur due to the following:
(a) Proclamations of the State lands to native land happening from time to time, where some have been registered to native owners on the Register of Native Lands (RNL) because their boundaries have been surveyed. If unsurveyed, the RNLs cannot be prepared and therefore are not registered to their owners.
(b) State (Crown) lands originally acquired by Government are reverted to native owners when such lands cease to be used for the purposes they were acquired as in the case Queens and Kings Road and water catchment. In many cases the task of completing the procedures involved, to revert the land to owners have not been completed.”


The indigenous apprehensions about losing ownership and control of the land and the desire to further consolidate unencumbered titles forced the colonial administration to enact the Native Land Trust Ordinance (NLTO) in 1940. It was responsible for establishing the Native Land Trust Board (NLTB), charged with administering the leasing arrangements of all native lands. This legislation gained notoriety and was broadly excoriated for containing a controversial provision dealing with the land reserves policy, which empowered the NLTB to terminate native leases and establish reservoirs of ‘reserved’ land for alternative uses by the mataqalis. This legally enforceable special entitlement had a profound impact on the psyche of the Indo-Fijian farmers, whose continuing insecurity regarding land tenure emanates largely from it. The tenant farmers viewed leasing arrangements as neither equitable nor of sufficiently adequate duration; in short, they were doubly odious for they not only represented an economic risk to their livelihood but created uncertainties that destroyed any incentive for the farmers to develop the leased lands or to undertake large-scale capital improvements. Consequently, the NLTO left an enduring legacy.
that reinforced of a sense of estrangement from or lack of attachment to the leased lands, ossifying a deep distrust between the mataqalis and the tenant farmers.

The gradual accretion of prime land subject to reservation is depicted in Table 6.3. The inability of indigenous Fijians to cultivate and develop the reserved lands (or at least match Indo-Fijian physical exertion) reduced sugar industry output and contributed to inter-ethnic tensions, loss of export earnings, and substantial loss of government revenue derived from taxation. The displacement of Indo-Fijian farmers opened up yet another zone of contention, caused by their inevitable drift to urban centres and the accompanying social problems of dislocation.

The colonial administration did not address the long-term implications of the policy on land reservations: NLTO provisions satisfied neither the demand for longer term secure leases by the tenant farmers nor the expectations of indigenous owners. At best, the British had managed a stopgap measure through the transitional provisions contained in another legislation, titled the Agricultural Landlord and Tenant Ordinance (ALTO) of 1966; this was later superseded by the Agricultural Landlord and Tenant Act (ALTA) of 1970 (as amended in 1976). Prior to the amendment of the Act, tenants were generally entitled to two extensions, without premium, each for ten years, subject to hardship qualification. Under the amended ALTA, new leases were issued for a maximum period of thirty years with no automatic right of renewal. Under the old act, however, existing tenants were entitled to an extension of twenty years to their lease when it came to the expiry of the first ten years. Under this twenty-year extension provision, a premium equivalent to one year’s rent was payable in the first and the eleventh year. These amendments could be seen as depriving the landlord of his right of possession of expired lease for a further period of twenty years, even if he had suffered more hardship than the tenant. The amended Act, however, attempted to redress this perceived disadvantage to the landlord through a redemptive

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16 ibid.
clause, which anticipated rent reviews every five years by an established panel of valuers, authorised to recommend increases up to a maximum amount of 6% of the ‘unimproved capital value’ (UCV) of the leasehold. The 1976 amendments, without resolving all disputes in relation to land, ushered in a period of relative calm and partial stability to the sugar industry, settled some prior disputations over native leases, and further codified governance issues through the clarification of the role of NLTB. The amended legislation, however, highlighted yet more potential areas of conflict because non-agricultural leases granted under the Native Land Trust Act (NLTA) were granted for much longer periods than agricultural leases under the ALTA. The former was designed to attract long-term investments in the tourism and commercial sectors but it brought to the fore tensions between the investors and landowners, seeking increased compensation based on their perceptions of far greater returns to the investors.

Table 6.4: Lease Statistics by Lease Type and Revenue Contribution

<table>
<thead>
<tr>
<th>Lease Type</th>
<th>No. of Leases</th>
<th>Area (Hec)</th>
<th>F$ Annual Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>14,675</td>
<td>445,377</td>
<td>$9,496,027.19</td>
</tr>
<tr>
<td>Commercial</td>
<td>1,522</td>
<td>132,756</td>
<td>$4,318,369.75</td>
</tr>
<tr>
<td>Industrial</td>
<td>419</td>
<td>1,123</td>
<td>$ 961,817.90</td>
</tr>
<tr>
<td>Other</td>
<td>1,667</td>
<td>44,651</td>
<td>$ 1,839,727.74</td>
</tr>
<tr>
<td>Residential</td>
<td>13,599</td>
<td>6,327</td>
<td>$ 3,919,728.01</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>31,882</strong></td>
<td><strong>630,233</strong></td>
<td><strong>$ 20,508,670.59</strong></td>
</tr>
</tbody>
</table>


During the period under study, land continued to be the most problematic and highly contested issue in the country’s politico-economic landscape, and the current impasse over fair rents and equitable leases has adversely affected the country’s economy, paralysing the sugar industry and permanently relocating many Indo-Fijians to refugee camps. Leases issued under the ALTA began to expire in 1997, necessitating increased scrutiny of the ALTA provisions, largely influenced by political considerations in the wake of the two previous coups. Many politicians blatantly exploited the sensitivity surrounding the leases and openly advocated the policy of non-renewal of leases by the mataqalis, urged on by the NLTB and some commentators, such as John Davies. As depicted in Table 6.5, there are 13,140 ALTA leases expiring between 1997 and 2024, with a large number (7668) expiring by 2007. Far from solving the concerns of the disputants, it appears that the political leadership has thus far failed to mollify either side. Currently the land lease issue remains unresolved, and the alternating policies of short-lived administrations challenged by political vigilantism continue to exacerbate tensions. Inadequate

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17 See Davies 2004.
18 Even the final version of the People’s Charter for Change, Peace and Progress (PCCPP), issued 15 December 2008, whilst seeking resolution, does not fully address the mechanisms of resolving disputes relating to land issues.
political will to deal with the forced displacement of cane farmers has snowballed into a major problem for the country. The inevitable drift to urban squatter settlements in search of unskilled work has spawned many social problems and significantly damaged the sugar industry. The evacuees from agricultural land have transformed existing urban squatter camps, now inhibiting development of prime land within the urban precincts. The squatters are stranded on the ‘vakavanua’ land, unofficially acquired as far back as fifty years ago in some cases. The ‘vakavanua settlements’ are defined as ‘informal settlements acquired through customary arrangements with the land owners,’ which are not subject to any ‘legal basis for ownership or lease.’ In search of quick financial gains, landowners now commonly offer ‘vakavanua’ leases all around the country.

<table>
<thead>
<tr>
<th>Year</th>
<th>Leases</th>
<th>Year</th>
<th>Leases</th>
<th>Year</th>
<th>Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>134</td>
<td>2008</td>
<td>299</td>
<td>2019</td>
<td>306</td>
</tr>
<tr>
<td>1998</td>
<td>237</td>
<td>2009</td>
<td>278</td>
<td>2020</td>
<td>152</td>
</tr>
<tr>
<td>1999</td>
<td>1594</td>
<td>2010</td>
<td>374</td>
<td>2021</td>
<td>168</td>
</tr>
<tr>
<td>2000</td>
<td>1955</td>
<td>2011</td>
<td>445</td>
<td>2022</td>
<td>135</td>
</tr>
<tr>
<td>2001</td>
<td>458</td>
<td>2012</td>
<td>419</td>
<td>2023</td>
<td>148</td>
</tr>
<tr>
<td>2002</td>
<td>622</td>
<td>2013</td>
<td>487</td>
<td>2024</td>
<td>88</td>
</tr>
<tr>
<td>2003</td>
<td>432</td>
<td>2014</td>
<td>380</td>
<td>2025</td>
<td>85</td>
</tr>
<tr>
<td>2004</td>
<td>600</td>
<td>2015</td>
<td>784</td>
<td>2026</td>
<td>65</td>
</tr>
<tr>
<td>2005</td>
<td>463</td>
<td>2016</td>
<td>361</td>
<td>2027</td>
<td>54</td>
</tr>
<tr>
<td>2006</td>
<td>521</td>
<td>2017</td>
<td>177</td>
<td>2028</td>
<td>13</td>
</tr>
<tr>
<td>2007</td>
<td>652</td>
<td>2018</td>
<td>254</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,668</strong></td>
<td><strong>Grand Total</strong></td>
<td><strong>4,258</strong></td>
<td><strong>1,214</strong></td>
<td></td>
</tr>
</tbody>
</table>


Moreover, despite the economic hardship and dispossession experienced by the farmers, the majority of indigenous Fijians were opposed to any form of government scheme aimed at providing financial assistance. Subject to ALTA provisions, only a small number of farmers (a mere 835) have managed to secure residential leases of approximately an acre on their existing farms. The Chaudhry government’s proposal to compensate displaced farmers, who did not wish to resettle to the tune of $28,000 per lease, turned out to be controversial, based on the assumption that over a thirty- or fifty-year lease the landlords (mataqalis) would have received

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20 Refer PCCPP 2008, p. 56.
21 ibid.
22 The Fiji Times, 19 February 2002, p. 4; see also Naidu & Reddy 2002. This number may have changed by now.
lesser amounts. This argument, however, ignores the fact that the compensation represents less than F$1,000 per annum for an average thirty-year lease, with the lessees (farmers) shouldering the responsibility for undertaking all capital improvements and contributing to the principal national export earner over the duration of the lease. The lump sum would have represented payment in lieu of development of farms at cost to the lessees, the forgiving of all capital improvements, loss of residence, and the opportunity cost of potential future income. The counter argument advanced by opponents of assistance to farmers states that not only have Indo-Fijians/farmers paid rents directly set by the NLTB, they indirectly contributed to the annual subsidy of F$1 million to the NLTB through the payment of taxes, which also benefited the indigenous landowners, especially their chiefs. The ongoing debate leaves unresolved the larger moral question of uprooting a sizeable population only to have them stranded in squatter camps. As Table 6.6 depicts, 59% of leases were held by Indo-Fijians but they only controlled some 15% of the total leased area.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>% of Total</th>
<th>Area (hectare)</th>
<th>Area (%)</th>
<th>Average Ha/leasehold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fijian</td>
<td>7,563</td>
<td>26.4</td>
<td>88,588.65</td>
<td>13.3</td>
<td>11.7</td>
</tr>
<tr>
<td>Rotuman</td>
<td>2</td>
<td>0.0</td>
<td>0.10</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Chinese</td>
<td>223</td>
<td>0.8</td>
<td>987.78</td>
<td>0.4</td>
<td>4.4</td>
</tr>
<tr>
<td>European</td>
<td>238</td>
<td>0.8</td>
<td>1,107.58</td>
<td>0.2</td>
<td>4.7</td>
</tr>
<tr>
<td>Indo-Fijian</td>
<td>17,026</td>
<td>59.3</td>
<td>102,732.06</td>
<td>15.4</td>
<td>6.0</td>
</tr>
<tr>
<td>Others</td>
<td>3,569</td>
<td>12.4</td>
<td>473,349.48</td>
<td>70.8</td>
<td>132.6</td>
</tr>
<tr>
<td>Unspecified</td>
<td>81</td>
<td>0.3</td>
<td>1,302.22</td>
<td>0.2</td>
<td>16.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28,702</td>
<td>100.0</td>
<td>668,067.87</td>
<td>100.0</td>
<td>23.3</td>
</tr>
</tbody>
</table>


Their aggregate agricultural output was, however, significant; until recently it accounted for up to 40% of total exports and was largely responsible for anchoring national expansion. It also raises the socio-ethical question of whether any citizen in a post-industrial, civilised society should tolerate such overt discrimination. In post-coup Fiji, the institutionalisation of racism has become acceptable and there is a renewed call for separate development through the ethnicisation of politics. This benefits a few but is detrimental to the national interests or the vast majority of grassroots indigenous Fijians and Indo-Fijians.

23 Boydell 2000, p. 2.
The majority of indigenous landowners (mataqalis) consider rental payments under ALTA leases to be inadequate, and they have been convinced by either political leadership or the NLTB not to renew their leases. In terms of a binary analysis, it has been controversially argued\textsuperscript{24} that rents paid by tenant farmers (mostly Indo-Fijians) have been extremely low, giving them an economic advantage over many years. Conversely, the landowners (mataqalis) have been disadvantaged to the extent of the opportunity cost of potential higher rentals forgone and, accordingly, they rightfully have no incentive to offer extensions on their leased holdings. Apart from attractive rents, the scholars point to the preferential treatment enjoyed by the industry under the Commonwealth Sugar Agreement of 1950, and its successor, the Sugar Protocol of the Lome Convention, under the terms of which the EU agreed to buy sugar at an agreed quota and guaranteed prices. Davies and Gallimore believe this external support for the industry benefited farmers indirectly but that no corresponding benefits accrued to the landowners. This is a moot point, however, as the sugar support arrangement was designed to benefit the nation as a whole, with sugar the largest export earner until fairly recently. Farmers were subject to direct taxation, which helped fund affirmative action programs largely skewed in favour of the indigenous Fijians. The two researchers erroneously argued that the tenant farmers were somehow culpable in their participation in colonial capitalism, which sustained high level of profits for CSR, thereby contributing to the colony’s economic viability; they posited that this eventually led to the circulation of profits from the providers of developmental capital (CSR) and, through that company, income derived by the tenant farmers. This argument is complex, sophisticated and misleading for it fails to properly evaluate the strategic objectives and the oppressiveness of their indentureship. It also fails to acknowledge that farmers were continually engaged in confronting all forms of injustices perpetrated by CSR and the colonial administration, and even after their economic liberation, had little facility to influence the colonial policies or practices. The indenture system was a brutal, inhumane and exploitative arrangement that carried official sanction for the harsh treatment of the labour force.\textsuperscript{25}

Their argument also appears rather spurious in terms of its reliance on faulty information, and the misapplication of relevant operating figures in relation to the average farms in Fiji. It is questionable if their data reflects the underlying operational reality on the small farms. By way of illustration, their analysis was based on data identified by the World Bank Report (WBR) No. 13852 of 20 June 1995,\textsuperscript{26} which characterised an average sugar cane farm in Fiji as follows:

\textsuperscript{24} Davies & Gallimore 2000.
\textsuperscript{25} See Narsey 1979; Lal 2004; Naidu 2004.
\textsuperscript{26} See Appendix 1 of Davies & Gallimore 2000.
Leased area: 4.2 hectares or 10.38 acres
Area harvested: 3.11 hectares or 7.68 acres
Tonnes harvested: 150 tonnes per hectare or 19.66 tonnes per acre
4.2 hectare farm: 61% produce less than or equal to 150 tonnes per annum
< 1 hectare farm: 24% produce less than or equal to 50 tonnes per annum

Accordingly, in terms of the WBR figures, their estimate of average farm income is as follows:

<table>
<thead>
<tr>
<th>Gross Income</th>
<th>$8,314*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistent with 1998 BOS figure, average 1995 = $9,732 &amp; Average 1997 = $7,456, thus, a moving average of $8,594.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost of Production</th>
<th>(Seedling, ploughing, harrowing, fertilisers, disease control, weedicide, furrowing, repairs, fencing, drainage, millmud, harvesting, loading, cartage, casual wages and sundry expenses.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses</td>
<td>$4,009**</td>
</tr>
<tr>
<td></td>
<td>Excluding all personal expenditure, medical, school fees, living expenses, housing costs, weddings and contingencies.</td>
</tr>
<tr>
<td>Operating income</td>
<td>$4,305</td>
</tr>
<tr>
<td></td>
<td>Before farmer’s wages, interest, rent, and taxes.</td>
</tr>
<tr>
<td>Farmer’s wages</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td>Based on about $167 per month for food, school fees, medical, housing, weddings, utilities and all private expenses.</td>
</tr>
<tr>
<td>Net Income</td>
<td>$2,305</td>
</tr>
<tr>
<td></td>
<td>Before interest, rent and taxes.</td>
</tr>
</tbody>
</table>

* Naidu & Reddy (2002) suggest an average farm income of F$5,902 & off-farm income of F$3,890, on the basis that 78% of lands were for sugar cane, 22% for other use, plus most farmers considered as possessing some other skills.

** Based on ADB, July 1996 estimate of F$1289/hectare excluding periodic demands for goodwill by landowners, impact of vagaries of weather or drought, losses sustained through burnt cane, decline in production through ill-health, downturn in global conditions outside farmer’s control, and increased costs through shortage of farm workers.

Davies and Gallimore consider an average rental of $65 per hectare, at the time of the study, to be inadequate and have conservatively estimated that the fair rental should be $300 per hectare. Thus, in the terms of their justification, an average farmer should pay a fairer rental of $1,260 or closer to 15% of farm income. One of the authors has further argued that farmers pay an unfair rental of less than 5%. In terms of their analysis, however, Davies and Gallimore seem to discount a host of other variables, such as the psychological impact of coups, violence against farmers, theft of their livestock, extortion of funds through demand for goodwill, non-renewal of leases, threats of eviction without compensation, overall increases in cost of living due to political uncertainties or economic downturn, and the impact of globalisation pressures on small

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27 By way of comparison, under the Fiji Pine Scheme, indigenous landholders received only 10 cents per acre on unplanted land, and 50 cents per acre on planted land, with a minimum lease of sixty years. After the NLTB administration costs and prior payments to the chiefs, the mataqalis hardly received any payments (Utrecht 1984, p. 209).
farms in the Third World. A number of commentators, who based their argument for rental increases on global comparisons and statistics sourced from developed countries of the north, seem to lack understanding of the harsh conditions (environmental, market-driven, political, economic, and global) under which indigent indigenous Fijian and Indo-Fijian farmers struggle to survive. A review of their analysis as shown above indicates that an average farmer would barely break even after paying rent, interests and taxes, but struggle to support his family. Many farmers have to supplement their income through bank loans to defray the cost of weddings, educational expenses, unexpected medical costs, and capital expenditure on the farm. As a result of the mass migration of Indo-Fijians and many indigenous Fijians to Australia, New Zealand and North America, households have to rely on remittances from family members who reside abroad.

In presenting their argument for increased rental, Davies and Gallimore also disregard the expiry of the guaranteed sugar price under the Lome Convention in 2000, which some observers have estimated could reduce net farm incomes in Fiji from F$4,300 to as low as F$165.\textsuperscript{29} In November 1995, the EU announced that it expected a reduction of up to 36\% in sugar prices, and it has been argued that its adverse flow-on effects on Fiji’s economy cannot be underestimated.\textsuperscript{30} An earlier study had confirmed and projected a 30\% decline in sugar industry could have serious macroeconomic impact, in view of its multiplier effect compared to other industries in Fiji.\textsuperscript{31} The decline in exports would have profound impact on real GDP, which was expected to fall by 1.85\%, considered very significant as in the previous decade Fiji averaged only 2.8\%.\textsuperscript{32}

Since 1997 the ALTA leases began to expire (Table 6.5), and in a tense atmosphere generated by the coup culture some politicians and NLTB officials sought to exploit the land issue by advocating non-renewal of leases by the mataqalis. In April 2002, Qarase claimed the NLTB had lost F$1 billion, relying on the strength of the arguments presented by Davies and Gallimore, but his claims were rejected and the authors’ analysis came under severe criticism. With reference to their analysis, it has been argued that their research was ‘based on erroneous assumptions and misleading data on land rentals,’ providing poor results which the government should not have used as a ‘political tool’ because the authors had ‘stretched the definition of exploitation to suit their own agenda.’\textsuperscript{33} Davies was excoriated for his confrontational tone and his suggestion that

\textsuperscript{29} Firth 1999.
\textsuperscript{30} Prasad 2006, p. 16.
\textsuperscript{31} Narayan & Prasad 2005.
\textsuperscript{32} Prasad, pp. 19–20.
\textsuperscript{33} Economist Biman Prasad in Khan 2002.
even under the short-term thirty-year leases, which only served the interests of the tenants, landowners had surrendered their rights. He strongly suggested leases should not be renewed, and Brij Lal has argued that, in so doing so, he broke the cardinal rule of impartiality by becoming a spokesperson for the landowners, stating, ‘never again will they surrender control of their land and never again will they accept rental at non-commercial levels.’ It also appears that Davies and Gallimore had overestimated the profitability of the Fiji Sugar Corporation (FSC) – the eventual successor to CSR – which never made super profits unlike the latter, following its acquisition by the Fiji government after independence. It became insolvent on account on of poor management practices, inattention to key performance indicators and mill inefficiencies; escaping its demise only through government intervention and its promise of financial support. A recent report\(^{34}\) which reviewed the company’s financial status revealed that the company has suffered heavy losses since 1996, notwithstanding the protection the industry enjoyed on account of its continued guaranteed pricing support from EU. Whilst ALTA leases on average ten-acre farms provide predominantly Indo-Fijian farmers with a subsistence income and cheap accommodation, the true measure of the extent of their deprivation is ascertainable by comparison with growers on two-acre farms producing ginger or chillies, which offer higher returns than sugar.\(^{35}\) It seems misleading and reckless to compare Third World farm income statistics with agricultural statistics or rental regimes relevant to developed economies, especially where they continue to be heavily subsidised by their governments.

Most commentators reject the claim that ALTA rents are unconscionable, considering them fair or marginally low, indicative of the harsh conditions in Fiji. From another perspective, it is arguable that landowners may have forgone some rental income as a result of ineffective management, and the failure of the NLTB to discharge its obligations or monitor timely increases in rents to the approved maximum of 6% of unimproved capital value (UCV).\(^{36}\) Although the NLTB has a reputation for maladministration, often carrying large rental arrears, it is generally aware of the harsh conditions faced by farmers. The NLTB correctly argues that most tenants would find maximum recommended increases untenable, forcing it to negotiate affordable rental payments with the tenants.\(^{37}\) Furthermore, the argument that mataqalis derived no benefit from the European Union pricing formula under Lome Convention appears misleading. Rental increases which would have also benefited the landowners were contingent upon increased sugar production and improved world prices for sugar. The UCV, on the basis of

\(^{34}\) White 2003, p. 289.
\(^{35}\) Boydell 2000.
\(^{36}\) Singh & Reddy 2007.
\(^{37}\) ibid.
which rental reviews were conducted, represented the market value of unimproved land, with the market value closely approximating the value of agricultural output from that land; in this case, sugarcane.\[^38\]

In practice, for each type of agricultural land UCV is approved by a committee of valuers who are all government appointees. Since independence the UCV appears to have been reviewed four times, as shown in Table 6.7.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>First class</td>
<td>$500-$900</td>
<td>$2700-$4500</td>
<td>$6500</td>
<td>$8000</td>
</tr>
<tr>
<td>Second class</td>
<td>$200-$500</td>
<td>$1650-$2700</td>
<td>$4500</td>
<td>$5000</td>
</tr>
<tr>
<td>Third class</td>
<td>$85-$200</td>
<td>$1100-$1650</td>
<td>$2000</td>
<td>$2500</td>
</tr>
<tr>
<td>Marginal class</td>
<td>$50-$100</td>
<td>$300-$1250</td>
<td>$750</td>
<td>$900</td>
</tr>
</tbody>
</table>


The traditional native land tenure system recognises communal ownership of a parcel of land ‘topographically surveyed, charted on Native Land Commission Maps, and registered in the Register of Native Lands (RNL). Under this system communal land owners are registered, and no individual titles are issued.’ The actual ownership resides in ‘the mataqali or tribal group as registered in RNL’.\[^39\]

The individual members of a land-owning unit or mataqali are noted and recognised in the Register of Customary Landowners or Vola ni Kawa Bula (VKB), maintained by the Native Lands Commission (NLC). The NLC was established under the Native Ordinance 1905 and acts as an arbiter in resolving land disputes.\[^40\]

Under communal land ownership, there is no recognition of the true extent of deprivation suffered by the individual grassroots mataqalis, arising from the formula adopted to allocate rental receipts by the NLTB. Distribution is patterned on the hierarchy of landholding units as depicted in Figure 6.1. After deducting the NLTB’s trustee fees of 25% of rental proceeds\[^41\] (reduced to 20% as of 1 January 1999, and further reduced in 2001 to 15%) to cover its administration and management fees, the balance of funds (75% or other appropriate portion) is disbursed as follows:\[^42\]

\[^38\] Kurer 2001.
\[^39\] Fonmanu Ting & Williamson 2003, p. 3.
\[^40\] ibid.
\[^41\] The NLTB also has other sources of income: timber royalties (10%), gravel royalties (10%), plus interest and dividend income from investments, excluding any government financial assistance and subsidies.
\[^42\] According to Rakai (1993) these figures are 3.75%, 7.5%, 11.25% and 52.50% respectively.
5% to head of the vanua or (Turaga ni Taukei or District Chief)
10% to head of the yavusa or (Turaga ni qali or Village Chief)
15% to head of mataqali or (Turaga ni mataqali or Chief of the mataqali)
45% to members of mataqali (i tokatoka or smaller clan)

The communal ownership of the native title means all members of the landholding unit are entitled to participate in the overall share of rental receipts as prescribed by the Act. However, in practice they have to triumph over the problems of arrears of rent, financial mismanagement, lack of accountability, corruption, cronyism and nepotism within the NLTB, which operate to substantially reduce their final payout. As one indigenous academic has explained, a major problem in allocation surfaces because the head of vanua, the head of yavusa and the head of mataqali can be the same person (of chiefly rank), who can be entitled to as much as 30% of total revenue from leases. In terms of communal relationships, it means Chiefs are deemed to be entitled to a disproportionately larger share of rental receipts by virtue of their position and status.\(^43\) Clearly, it provides a strong incentive to the chiefs to resist any attempt to reform the current system of Fijian administration, the NLTB or any issues pertaining to land. The NLTB has been entitled to receive an annual government subsidy of F$1 million, but since 1986 (the year before the first coup) it has recorded losses. Despite being one of the largest statutory bodies, it was unable or unwilling to provide timely audited financial reports and by 1993 carried losses to the tune of F$16.1 million, excluding an estimated F$4.4 million in outstanding cheques. By 1997, it was technically bankrupt.\(^44\) Moreover, the major structural defect of the communal landholding system partially accounts for the ‘economic backwardness’ of ordinary Fijians. From a developmental viewpoint, land or interest in land is obviously considered a very valuable asset. The largely Indo-Fijian tenant farmers, although not the ultimate holders of the title, have beneficial interest in the leaseholds and any improvements thereon, which enable them to utilise it effectively as assets to raise capital through the banking system or otherwise collateralise it for their financial advancement. This opportunity though is lost to the landowners due to the very nature of communal holdings, which opposes individual ownership of native lands. This is another major reason for the economic deprivation of indigenous Fijians and it brings into sharp focus the need for a review of the existing Fijian administration system, the role of the FAB, and the efficaciousness of the GCC as the ultimate arbiter of indigenous Fijian matters. Given the inter-ethnic tensions and the altered political landscape since the 1987 coups, together with the cultural sensitivity associated with their customs, traditions, and the regard

\(^{44}\) ibid.
indigenous Fijians generally have for their chiefs, the responsibility for any reform of indigenous institutions is ultimately a matter for them and they must endeavour to find internal solutions. In diffusing conflict there is, however, a need for an obvious caveat: in a departure from the continuation of colonial rhetoric, it would be far more productive if the Chiefs and the nationalists/Taukeists discontinued their campaign to demonise Indo-Fijians, if their own sacred cows impede their economic progress or the resolution of the Fijian Question to the extent they relate to land. There has to be recognition of the need for some form of structural reforms with broad-based support from the indigenous community.

**Figure 6.1: Fijian Social structure**

![Diagram of Fijian Social structure]

Sources: adapted from Lloyd 1982, p. 82 and Boydell 2001, p. 3.

6.2. The Implications of Thwarted Land Reforms

In analysing the historical development of the land tenure system, the foregoing section identified the sensitivity surrounding the post-coup political culture and its fusion with an anachronistic land management system, which continue to thwart any proposals for reforms and thereby deny Indo-Fijians and others access to repossessed agricultural lands, with serious downside economic costs to the nation. Significantly, it showed ordinary indigenous Fijians are also unable to utilise communal lands for their individual economic advancement.

In most developing countries, access to or equitable distribution of land remains a major impediment to sustainable economic growth. Fiji is no exception, where land remains at the centre of the inter-ethnic conflict, and stop-gap reformative measures have been brushed aside due to the need for political expediency or the perceived dangers inherent in seeking changes to
an entrenched native landholding system. In advocating land reforms, some observers have argued for the removal of communal ownership of land and questioned the effectiveness of the NLTB, due to its paternalism and failure to innovatively assist indigenous Fijians in the utilisation of their landholdings for economic development; this is particularly so following what has been described as ‘a de facto socialisation and part-appropriation of tribal land.’ With respect to its administration by the NLTB, Kasper has argued that:

All bureaucratic control of native land should therefore be abolished, and unfettered full property rights should be handed back to the mataqali owners themselves. Without effective direct control of their most valuable material assets, [indigenous] Fijians will never be able to make the best use of them and thereby learn to be enterprising. Only when land is taken out of centralised political control will [Indo-Fijians] Indians be able to feel secure. His concern is not an isolated one as it underpins and impacts on the debate in at least two aspects of the Fijian Question: the so-called economic backwardness of the indigene, and threats to native leases. Over the last decade, a number of interesting proposals have emerged, aimed at breaking the impasse generated by the problems associated with land leases, and they are discussed here chronologically. A 1999 discussion paper commissioned by the NFP envisaged the concept of the government acting as an intermediary (a de facto landlord), by entering into a ‘social development compact’ with the mataqalis (landowners). Under the terms of the proposed compact, the government, as a quid pro quo to the mataqalis who renewed their leases, would be expected to prioritise, under a specified timeline, certain development projects in the key areas of health, education, and infrastructure projects such as roads, water and electricity. Where leases have been renewed under this market-oriented incentivisation arrangement, specifically aimed at encouraging renewals, the government would ensure that the NLTB honours the obligations of the landowners, thus pre-emptively helping to defuse the existing potential for landlord and tenant confrontations. Prior to the 1999 elections, these proposals were released by the NFP, receiving tacit support from the SVT government because they complied with the GCC’s support for the requirement to bring all leases under the NLTA, while seeking the removal of uncertainty experienced by the tenants. Complications arose in 2000, however, when during its short time in office the coalition government, led by Chaudhry, argued for the retention of the ALTA provisions, but agreed to the renewal of leases subject to

46 ibid, p. 10.
47 See also Prasad 2006, pp. 21–22.
49 This idea was originally promoted to the Rabuka-led SVT government prior to the 1999 elections by Prof. Warden Narsey (then Opposition spokesperson on Finance) and Jai Ram Reddy (NFP leader).
rental increases based on the UCV increasing from 6% to 10%. The Opposition and NLTB rejected the FLP Coalition proposals, with the NLTB in particular committed to bringing all agricultural leases under the ambit of the NLTA. In a separate development, in 2002 the Sugar Industry Restructure Committee released for public consideration the concept of a Head Lease. It differed from the Narsey and Reddy proposal in that the lease arrangement anticipated that the NLTB (not the government) would negotiate a master lease with standalone entities linked to the FSC. This proposal was rejected by the farmers, who were angered by its structural rationale reminiscent of the colonial era when farmers were essentially the tenants of CSR. Many descendents of the girmitiyas had memories of the exploitative or unsavoury practices engaged in by CSR, which had psychologically traumatised their forebears. Another report commissioned by the ADB in 2005\(^\text{50}\) suggested that the government should introduce a master lease, under which all agricultural land leases issued by NLTB could be consolidated and subleased to the tenants. Its main advantage lay in involving the government in rent collection from tenants, thus eliminating any direct interface between the NLTB and the tenants. This proposal could potentially maximise the level of net remittances to the mataqalis, reduce administration costs, remove bureaucratic red tape and operate to mitigate conflicts.

Thus far, however, the most attractive suggestion is contained in an unpublished paper\(^\text{51}\) which anticipates the government, under a master lease arrangement, acquiring the leases from the mataqalis and then subleasing them to the tenant farmers. In modifying and improving the Narsey and Reddy and ADB proposals, Chand argues that his idea would minimise conflict between the landlords and tenants, decrease administration costs borne by NLTB, and potentially maximise the net rental returns to the landowners, hitherto major sources of mataqali complaint. Under this option the government would pay rent directly to the NLTB and simultaneously recoup rental receipts from the tenants. It has been argued\(^\text{52}\) that since the NLTB is an existing statutory body accustomed to government financial assistance and spending patterns, it proffers an avenue for minimalist intervention to ensure compliance with existing legislation. Moreover, it should serve the broader national interest by improving farm productivity, restoring stability to sugar industry and potentially enhancing the level of GDP.\(^\text{53}\) The landowners would have guaranteed income by way of regular installments from the government to the NLTB: technically, rent collections should never progress to being in arrears. The Chand proposals consolidate and drive home distinctive advantages on all variations, aimed at removing

51 Chand 2006.
52 Prasad 2006.
53 ibid.
fundamental indigenous anxieties. Regrettably, due to recent political upheavals the matter is held in abeyance, and the land lease issues remain just as politically sensitive and damaging to national interests.

In the terms of Chand’s analysis, as Table 6.8 illustrates, the projected annual government expenditure is expected to be in the vicinity of $14 million, which represents $9.5 million in rental payment and $4.5 million in additional premium and administrative charges. These costs are however recoupable via rental receipts from tenants, and other indirect revenue and benefits likely to flow from the employment generation and improved output from a more stable agricultural sector. The anticipated qualitative transformation in agriculture could have positive impact, by providing much-needed stability in sugar and other agrarian industries, as well as fostering national development. Lack of secure access to land for all communities fails to provide confidence to investors and undermines trust in the nation as an attractive destination for investment capital. The ongoing disputations involving use of land will remain at the core of inter-ethnic conflict in Fiji in the foreseeable future. They have so far accounted for the demise of the sugar industry, the retardation of economic growth, and the dislocation and complete demoralisation of Indo-Fijian farmers, due to the uncertainties created by non-renewal of agricultural leases. The insecurity over land tenure is a hidden cancer of the Fijian society negatively impacting on the agriculture, tourism and manufacturing sectors and contributing to the severe hemorrhaging of the economy.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Costs</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State</strong></td>
<td>Rent payment $9m</td>
<td>Revenue - $9.5m</td>
</tr>
<tr>
<td></td>
<td>Premium payment estimated to be 25% of the annual rent ($2.5m)</td>
<td>Tax revenue increase</td>
</tr>
<tr>
<td></td>
<td>Overhead to manage Leases - $2m</td>
<td>VAT $3m</td>
</tr>
<tr>
<td></td>
<td>Total = $14m</td>
<td></td>
</tr>
<tr>
<td><strong>NLTB</strong></td>
<td>None</td>
<td>Cost Savings - 33% fall in admin costs - $2m savings per annum</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No arrears - $2m</td>
</tr>
<tr>
<td></td>
<td></td>
<td>additional Rev</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Net benefit- $4m</td>
</tr>
<tr>
<td><strong>Landowners</strong></td>
<td>None</td>
<td>Larger payout rental income</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Goodwill payment by state</td>
</tr>
<tr>
<td><strong>Tenants</strong></td>
<td>None</td>
<td>More security, increased production and income</td>
</tr>
</tbody>
</table>

Source: Chand 2006.

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54 ibid.
55 ibid.
Finally, in September 2007, the Bainimarama interim government launched a broad-based national initiative with an ambitious goal to ‘Build a Better Fiji for All’, through a wide-ranging proposal called the ‘People’s Charter for Change, Peace and Progress (PCCPP)’. The final version of the PCCPP, issued by the National Council for Building a Better Fiji (NCBBF) on 15 December 2008, acknowledges the problems of property rights and recognises the economic implications of not making ‘more land available for productive and social purposes.’ But it remains silent with regard to engineering a final solution, nor does it fully address the mechanisms of resolving current disputes relating to land leases. Among its fifteen recommendations regarding the development of resources, the NCBBF endorsed the following dealing specifically with land:

5. That common legislation for the administration of all agricultural land be adopted (to include management of native, crown and freehold land) under the framework of NLTA; any meritorious aspects of ALTA should be retained.
6. Greater flexibility in the tenure of leases issued should be ensured so that they are sector specific and take account of the unique needs of each sector.
7. The NLTB (in partnership with Government) should put in place an initiative to encourage villages to better utilise their unleased land under reserve. The Government should provide support through appropriate infrastructure such as roads.
8. A National Land Register should be set up which would incorporate information on all lands in Fiji irrespective of ownership. The Register can be used as an important management and planning tool to move towards a solution for allocating land based on optimal returns.
9. Legislative backing should be provided for the National Land Use Policy adopted by Government in 2002.

It is to be hoped that the efforts of the NCBBF and its recommendations do not suffer the same fate as numerous other reports about the twin problems of access to land and the related problem of the commercial backwardness of the indigene. These recommendations seem to be well-intentioned aspirational statements which, for the first time, appear to be backed by political will, but they still lack clearly defined directives for structural reforms and may not have the persuasive powers to convince the landowners and the GCC to sanction much-needed land reforms.

**6.3. Contradictory Priorities: Deconstructing the Myth of Threats to Native Leases**

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57 Clauses with references to land in The State of the Nation and Economy Report 2008, p. 64.
As the foregoing analysis shows, the debate over the land in Fiji involves the consideration of a number of overlapping issues that are politically sensitive. First, communalism during the colonial period was fostered as a means of segregating the two major races with the European strategy to maintain political power and strengthen their economic influence. The Indo-Fijians claim they did not annex Fiji, or arrive uninvited in ships to plant a foreign flag and take over the islands for their sovereign. They were dislocated, abused and brought to Fiji where they suffered maltreatment and exploitation at the hands of the colonists. Unlike early white settlers, they did not cheat Fijians out of any of their lands by giving them a few trinkets, tobacco or guns. Second, the indigenous Fijian connection to land has never been questioned by Indo-Fijians or Others, but they point to the misuse of existing or reserved lands or sales of land, including whole islands offered to rich foreigners when greed and money seem to be the primary motivation. The author came across, on a number of different dates, up to eight Fiji islands advertised for sale, with a total value well in excess of US$60 million. In one December 2004 transaction, actor/director Mel Gibson paid US$15 million for the 2,190 hectare Mago Island, and currently there are some 43 islands privately held by the rich and famous, almost exclusively whites. Once sold to wealthy foreigners they become inaccessible to all locals and one never hears nationalist, chiefly or indigenous Fijian grievances or displays of emotional attachment to the lost vanua. This is hard to reconcile with the views of the prominent nationalists and other hardliners, who assert that indigenous Fijians have a spiritual, psychological or visceral attachment to their land (vanua):

The vanua contains the actuality of one’s past and the potentiality of one’s future. It is an extension of the concept of self. To Fijians, the idea of parting with one’s vanua or land is tantamount to parting with one’s life.

The resumption of aggressive but clever marketing (usually internet-based or in overseas publications) at a time of sensitive debate on the question of land, and evidence of massive profits derived by chiefs from sale of whole islands cannot be seen as an aberration. It highlights chiefly duplicity, undermines Ravuvu’s explanations, and nullifies the integrity of indigenous Fijian emotionalism to land debates. In his infamous statement, Ratu Mara warned about the possibility of bloodshed if the ‘citizens of Fiji did not understand the deep emotional feeling of indigenous Fijians on land and [if they] trod on it “blood will flow in this country”.’ On closer
examination such utterances lack objectivity because there is nothing uniquely Fijian about his claim; most people (including Indo-Fijians) have primordial or spiritual attachment to their lands. Human history is replete with the tragedy and violence of wars over peoples’ attachment to their land. Indo-Fijians argue that the Europeans, who constantly remind them of the Fijian attitude to land, hardly showed any respect for indigenous land rights in their own countries. To the indigenous Fijians, the hard economic reality of substantial financial gains through large transactions clandestinely completed overseas overrides their constant mantra of their land right protection. It fails to address an important political, economic and human rights issue: how many generations do ‘others’ have to wait before they have same rights as the first arrivals with respect to land? Polynesian settlers (Tongans) who arrived in Fiji only some thirty years before the ancestors of Indo-Fijians do not suffer from this economic discrimination or other forms of cultural inhibitions to their acceptance. In fact, they are considered Fijians, freed from any form of discrimination with the ability to aspire to the position of a paramount chief, for example, Ratu Mara. Third, land is the most valuable economic resource and the country finds itself in the absurd position where almost half its citizens - down to about 37% under 2007 census - are without proper access to land; yet they are expected to make economic contribution in an environment no other citizen in a democracy would find tolerable. Even more ludicrously, the other half of its citizens - now in large majority of about 57% under 2007 census - the indigenous mataqalis, who control some 90% of land, are unable to utilise their communal holdings for their economic advancement. People who exploited native Fijians, securing vast tracks of prime lands under questionable transactions, have not only been forgiven but have re-emerged as protectors of indigenous Fijian land and interests. The indigenous Fijian anger appears to be directed against people who only ever leased native lands to develop it for agricultural purposes. They can never own it, yet they are demonised as threatening indigenous land ownership, notwithstanding all the constitutional guarantees making it impossible for Indo-Fijians, even when in a majority, to be able to do so without the substantial support in the House of Parliament, the Senate, as well as approval from the GCC. It is impossible for this to eventuate unless Chiefs choose to betray their own people en masse.

To the Indians earth represents one of the five sacred elements of nature (fire, water, air, earth and ether), and their liturgical significance is realised during all sacred ceremonies, involving births, deaths, marriages and so forth. Some Indo-Fijians argue that the land that consumed the blood, sweat and tears of their ancestors and where their remains are interred has been sanctified, and they have a corresponding spiritual attachment to land. According to the Bible, God created man from the soil (land/earth) and breathed life into him. Both Hinduism and Christianity entertain the notion of earth to earth and dust to dust, because man’s physical body is returned to whence it came – mother earth. Variations on this notion of sacredness are observable in the primeval religions of the American Indians, Maoris, Australian Aborigines and many other indigenous and non-indigenous peoples.
The availability of land to all citizens in Fiji remains unresolved and continues to destabilise the country, making it difficult for the current leadership to set new directions and extricate the populace from the cycle of destructive and debilitating tensions resulting from the four coups since independence. On the basis of the historical and empirical data, there appears to be no reasonable grounds for asserting that Indo-Fijians pose a threat to the ownership of some 90% of the lands by the indigenous Fijians. Constitutional guarantees and other protective mechanisms enshrined in various pieces of legislation constitute an unimpeachable security for the indigenous majority and make it virtually impossible for Indo-Fijians to introduce changes to indigenous land ownership. This could only happen if their chiefs and the majority of their Senators were to betray their own people and remove the existing built-in protections in relation to any proposed changes to native leases.

In the late 1980s, in response to demands for Aboriginal land rights, John Howard said, before he became Prime Minister:

> Land rights is fundamentally wrong, because what land rights inevitably leads to is large-scale alienation of enormous sections of Australia to a very few people. I do not accept the doctrine of hereditary guilt. I acknowledge that, in the past, wrongs were done to Aborigines. But they weren’t done by me.\(^64\)

Not long thereafter, the former New Zealand Prime Minister and former Director-General of the WTO, Mike Moore, while commenting on race relations in New Zealand as then-Minister of External Relations and Trade, said:

> To claim that because someone’s ancestors (Europeans) came to New Zealand 100 years ago and not 1,000 years ago made them less of a citizen with fewer rights or love of their country was arrogant, simplistic and wrong…People from many countries contributed equally to New Zealand’s growth and they would not tolerate second class citizenship in a first class country.\(^65\)

To the ill-informed in Australasia there exists a curious disjunction between their own assessments on indigenous land rights vis-à-vis their perceptions of land management issues in Fiji. Historically, there is no reason for Indo-Fijians to accept the ‘doctrine of hereditary guilt’ either, but they are still perceived as representing threats to native titles against all evidence to the contrary. Why is it acceptable for one community to alienate some 90% of the country for their prior claim or use in Fiji? Equally, Moore’s insistence that later arrivals in New Zealand


\(^{65}\) New Sunday Times, Malaysia, 1 January 1989, cited in V. Lal 1990, p. 244.
should not tolerate ‘second class citizenship’ does not appear to extend to later arrivals in Fiji, who are fourth/fifth generation Fiji citizens. The land management in Fiji becomes a function of economic necessity, where the extirpation of corresponding rights for Indo-Fijians is acceptable. In so far as they serve the broader economic interests of the unseen order and the wider agenda of the globalists, there is no reason to change existing perceptions. The citizens of the Third World are often forced to tolerate what is considered intolerable in the developed world.
Chapter 7

Ethnocultural\textsuperscript{1} Factors and Interventions by the Unseen Order Inhibiting Assimilation: the Myth of Chiefs as the Protectors of Indigenous Interests

The previous chapter explored the complexities of indigenous attachment to their vanua, and the continuing uncertainties from the unresolved issues relating to land access contributing to the political crisis and economic underdevelopment. This chapter brings together other social and cultural dimensions of the conflict, deriving from early colonial policies under a façade of commitment to secular pluralism, which formed the basis for prosecuting diversity and multiculturalism as part of the post-war developments under the UN system. It endeavours to tease out the misconceptions of communal or sectarian identification contributing to the ethnicitisation of politics, and the ethnonationalist articulations which operate to shape the discourse on the convenient explanations for the coups.

The chapter proceeds to excoriate sporadic interventions by powerful voices articulating latent fears of the dominant ethnic communities, and evaluates the strengths of the arguments offered from their respective vantage points. It re-evaluates the historical role of the chiefs in terms of their loyalties and/or self-interest, questioning their failure to uphold the interests of the vanua in the context of the development of Fiji’s multiracial society. Finally, in revisiting the Fijian question it argues that the interests of the indigenous Fijians have not been effectively served by their chiefs, who constitute an integral part of their vanua, represent its apogee, and are generally venerated as divinely-ordained by the grassroots. Political engineering by the British led to the superimposition of a reconstituted feudal aristocracy, which served the interests of about half the citizens by legitimating its own fiefdom; it has continually been on a collision course with the obligations of a modern liberal democracy. The GCC has become the centripetal force: shielded by the bati obligations of the indigene but motivated by self-interest, it deploys race-centric responses to solidify ongoing acceptance of Indo-Fijian exclusion from Fijian society without regard to the possibility of future conflicts. Whilst some reliance must be placed on the historicity of racism in Fiji and continuing racial stereotyping as peripheral contributing factors, in and of themselves they do not merit the disproportionate attention they receive in the commentaries.

\textsuperscript{1} These terms are derivatives suggesting ethnic conflict and nationalistic tendencies, rather than an observable phenomenon. Other categories, such as ethnoreligious, ethnoracial, ethnolinguistic, or ethnopolitical, are also accessible.
7.1. **Revival of Ethnic Consciousness as a Means of Suppressing Diversity**

The destructive colonial praxis of racial separation in Fiji officially categorised the country’s population into disparate racial groupings of ‘Indians’, ‘Europeans’, ‘part-Europeans’, ‘Fijians’, ‘Rotumans’, ‘Chinese’, ‘Pacific Islanders’, and so forth. Separate registers were maintained, and still exist, for births, deaths, marriages, and electoral rolls. This classification was also observed in all official documents, such as immigration records, driving licenses, medical records, educational records, and civil service documents. Whilst not unique to Fiji, racist practices under colonialism were infinitely more humane compared with European fascism (for example, of the Nazis), who literally ‘branded’ Jews with numbers in an effort to dehumanise and expunge their sense of self. The indigenous Melanesian population thus became ‘Fijians’ and the diasporic labour force from India was identified by their race as ‘Indians’. For electoral purposes, small groups of Europeans, part-Europeans and Chinese populations were lumped together as ‘Europeans’, while other Pacific Islanders and Rotumans were considered indigenous Fijians.

After completion of the indenture system, the white settlers and Western media commentators, in particular, continued to refer to Indo-Fijians as ‘immigrant Indians’, ‘Indians’ or ‘Fiji Indians’ – or worse still ‘Fijian Indian’ (which has connotations of mixed parentage in the local vernacular) – even though those who chose not to or could not afford return passage to India were granted full citizenship. In the post-colonial milieu the architecture of the segregationist ethos persevered; the legacy of ‘divide and rule’ strategy continued to impact all aspects of the lives of even fourth/fifth generation Indo-Fijian citizens.

With the arrival of independence, the 1970 Constitution re-categorised Fiji’s population in terms of dominant ethnic communities: ‘Fijians’, ‘Indians’ and ‘General Electors’ (i.e., Europeans, part-Europeans, Chinese and/or other Pacific Islanders) for electoral purposes. Rabuka’s 1990 Constitution altered this classification, however, by regrouping Fiji’s population into ‘Indo-Fijians’, ‘Fijians’, and ‘General Electors’, and added a new category of ‘Rotumans’, previously grouped with the indigenous Fijians. In the 1997 Constitution, the ‘Pacific Islanders’ were regrouped with indigenous Fijians, thus leaving only ‘Europeans’, ‘part-Europeans’ and ‘Chinese’ as ‘General Electors’. After independence the ‘Europeans’ were considered ‘General Electors’ but today they are curiously classified as ‘Others’ – a term which now appears to include all those who do not come under the first two categories of [indigenous] ‘Fijians’ or [Indo-Fijians] ‘Indians’. The ‘Europeans’ and ‘Others’ who lived in Fiji have sometimes found
acceptance as ‘Fijians’ but any attempt by Indo-Fijians to identify as ‘Fijians’ has been generally opposed by indigenous Fijians.

Recently, Jone Vakamocea, the Minister of State for National Planning, sought a ruling from the Speaker on the use of the relatively new term ‘Indo-Fijian’, suggesting it bordered on racism because it was not defined by the 1997 Constitution, and claiming its usage was propagated by academics to ‘Fijianise’ their identity.² This form of latent parochialism and new trend in resistance to a common national identity re-emerged in July 2004 during Senator Litia Cakobau’s contribution to an adjournment motion in the Senate; the former Governor-General Ratu George Cakobau’s daughter, she argued for the criminalisation of the term ‘Indo-Fijian’, because its usage was promoted with a view to ‘identity theft’ by leading Indo-Fijian academics, who had devised a form of social engineering due to their ‘lust for land’ which effectively diluted the term ‘Fijian’.³ She further claimed:

They [Indo-Fijians] are identified as Indians in all census counts. They are Indians in the Electoral Act. They have social, economic, political and ideological contact with India. Their political party receives cash and other forms of help from India.

They listen, speak, read, write and worship in Hindi. They eat Indian food, watch Indian movies and listen to Hindi music.

She continued:

…the constant usage of this ‘Indo-Fijian’ coinage, bullies the mind of the unsuspecting and unwary [indigenous] Fijian into accepting it without question. Thus a blatant lie is being subtly injected into the collective [indigenous] Fijian, national and international consciousness.⁴

As the tenor of her outburst indicates, one is left with a sense of false consciousness among the indigenous elites, without any redemptive impulse that opposes attempts to ‘orientalise’ or ‘otherise’ or ‘subvert’ the Indo-Fijian identity, whilst constantly excoriating them for not assimilating with the indigenous Fijian community. This is an illustration of how post-coup, neoracism and ethnonationalism have become potent tools often deployed by indigenous Fijians to produce fear or justify intemperate political rhetoric. Litia Cakobau’s observations serve as a stark reminder that indigenous Fijian minds remain colonised, disguising subtle forms of neoracist proclivities that continue to provoke the Indo-Fijian mindset and make inter-ethnic

² See Bolatiki 2006.
⁴ See Bolatiki 2006; Senator Litia Cakobau’s contribution to the adjournment motion in the Senate in 2004.
accommodation increasingly difficult. Indo-Fijians claim such utterances are grossly offensive, and an attempt to dilute their citizenship or sever their connection to the land of their birth. They view it as akin to an inversion of the racist ideology that accorded the status of ‘honorary whites’ to the Japanese in apartheid South Africa. In general parlance one hardly ever encounters a Fijian European, Fijian Rotuman, Fijian Chinese, Fijian Samoan or Fijian Tongan. Yet, in a continuation of a colonial mindset, more aggressive articulations of indigenous attitude to a sense of self or ‘Fijianness’ have emerged that negate any attempt to ‘indigenise’ Indo-Fijian identity.

Thus, continuing state adherence to a stylised cataloguing of the populace explains, in part, how race remained at the centre of all aspect of life in Fiji, and how the ‘native’ has morphed from the early ‘savage’ or ‘junglee’ into its current status symbol, inhered with an exaggerated sense of local mana that has become attractive and appealing to politicians. Teaiwa gives two examples which serve to illustrate what she calls ‘identity politics’\(^5\): Jim Ah Koy, a part-Chinese/Fijian, widely regarded as George Speight’s mentor and benefactor (committed political hara-kiri due to insubordination to Mara), re-emerged as an indigenous Fijian candidate in 1992 and won his case in court when his eligibility was challenged. Similarly, Speight’s father, Sam Speight, who is of mixed descent (part-European/Fijian), became a ‘born again Fijian’ after the coup. Sam Speight actually changed his name to Savenaca Tokainavo and won an indigenous Fijian seat in parliament in 1992, subsequently successfully contesting and retaining the seat. After the 2000 coup, George Speight also prefers to be referred to by his indigenous Fijian name of Ilikini Naitini, accessed through his claims to indigenous Fijian ancestry.\(^6\) Teaiwa has argued such contrived nationalism is more about ‘personal ambition’ and ‘political opportunism’, and has little to do with loyalty to indigenous collectivism or group identity.

For the Indo-Fijians, however, identity continues to remain problematic. It connects with Edward Said’s critique of the inaccuracies of assumptions about ‘Orientals’ in general, disputing key paradigms of thought which became acceptable to the political establishment, the media and even the academic community. From a Saidian perspective, the effective colonisation was dependent on the full knowledge of the colonised, for knowledge is power, (or, more accurately, its mis/use or abuse); this was derived from white scholars (Orientalists) responsible for translating into English Oriental classics and other major works from the ‘Orient’.\(^7\) Their labour ‘essentialised’ and depicted a ‘prototypical Oriental’ to the colonialists as physically weak, culturally backward, strange and not very adaptable – although experience indicates that the

\(^5\) Teaiwa 2004.
\(^6\) Lal 2006, p. 239.
\(^7\) Said 1978.
Indo-Fijians proved to be physically tough under oppressive conditions, with a sophisticated culture perceived as a threat to the indigenous Fijians, and that they successfully adapted to their new environment to the extent that their overall success become a ‘problem’. The power of discourse was deployed to ‘construct’ an imagery of the less than macho, defenseless, unintelligent and weak Oriental, awaiting domination by the West and believed to exist for that very purpose. The Oriental identity, therefore, became defined by the Orientalists who constructed and compiled distortions of the Oriental character, giving it substance where none may have existed otherwise, in the unspoken notions of the ‘Other’ (not to be confused with the ‘Other’ in the context of Fiji’s racial categorisation in this study). As a case in point, Said argues that contemporary Orientalism has resonance in the modern-day depiction of the Arab culture – the perception of the prototypical Arab is the antithesis of what the West presumably represents: hostile, illogical, deceitful, corrupt, anti-progress and committed to religious fundamentalism, an image used by and for the benefit of the Occidental to construct ideological boundaries of the Arab. He reaffirms:

> The hold these instruments have on the mind is increased by the institutions built around them. For every Orientalist, quite literally, there is a support system of staggering power, considering the ephemerality of the myths that Orientalism propagates. The system now culminates into the very institutions of the State.  

Similarly, over the last two decades, the powerful support mechanisms of the state have been increasingly used to re-emphasise the religio-cultural dissimilarities and distinctiveness of the Indo-Fijians within the Fijian polity. The explicit but erroneous characterisation of the Indo-Fijians post-coups, by indigenous Fijians and some Western observers, feeds into various levels of the Western discourse on Fiji and suggests a connection with a mindset derived from a bygone era. In terms of a Saidian explanation, the Indo-Fijian identity too can be seen as contested and it is reinforced from inside and outside as a result of

> …the construction of identity – for identity…while obviously a repository of distinct collective experience, is finally a construction – involves establishing opposites and “others” whose actuality is always subject to the continuous interpretation and re-interpretation of their differences from “us”. Each age and society re-creates its “Others”. Far from a static thing then, identity of self or of the “other” is a much worked-over historical, social, intellectual, and political process that takes place as a contest involving individuals and institutions in all societies.

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9 ibid, p. 332.
Further, in reviewing an assortment of books and films that attempted a nostalgic re-emergence of the British Raj in the 1980s, the Indian novelist Salman Rushdie, in acknowledging Said’s classic work, argued that the false portrayal of the ‘Indian’ characters in Western literature and Hollywood films was aimed at providing a ‘moral, cultural and artistic justification for imperialism and for its underpinning ideology, that of the racial superiority of the Caucasian over the Asiatic.’

Has anything really changed? Such a mindset produced in the West manifests in numerous other ways, affecting many diasporic communities. Having lived most of my life in the West, until recently, I rarely came across any positive depiction of Indians, Chinese, other Asians, ‘blacks’ or people of colour in Western art, literature, films or other products of Western nationalism or in its mimetic artifacts. African Americans (who managed to outlaw the use of ‘niggers’ but are routinely referred to as ‘blacks’) walked a long and difficult road to partial acceptance and freedom, but large pockets of resistance remain for them. The American Indians, having suffered genocide at the hands of the New Israel’s chosen people, continued to be portrayed in American films or media as bit players, savages, violent crooks, vagabonds or mere props to be conquered – until a decade ago when, for the first time, actor/director Kevin Costner, in *Dances with the Wolves*, mandated a connection to their land, memory and history. His film successfully managed to weave a positive narrative of their lives, giving them dignity and the articulation of ‘self’ they had long deserved. In Fiji, Indo-Fijians have suffered such discomfiture ever since their arrival in 1879, and not much has changed for them in terms of their perception by outsiders as the much-maligned ‘other’ – forever consigned to remain so, if post-coup developments are to be taken as any guide. In a subsequent title Said reiterates the centrality of his message: the unstated assumptions of the empire persevere, not only obstructing the world of the ‘other’ freed from domination, but continually constrained by the chimera of equality, freedom and justice.

Thus colonialism/imperialism in Fiji as elsewhere is not confined to a historical moment, for imperialist ideology or its modern tendencies persevere; it is reinforced by lop-sided dialogue between the ‘dominant discourse’ of the nostalgia of the empire valorized in the West and the desolate silences of ‘subjects’ who continue to remain subjugated. There is an ongoing need to raise awareness of these unstated assumptions, as an initial step towards obliterating the shackles of the empire. Said’s general articulation on the subjugated connects with the Indo-Fijian predicament and the abomination wrought on their lives in terms of their fictive identity, which has seeped deep into the subterranean level beneath the discourse but is kept alive by the threat of perceived ‘Indian’ dominance.

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In classic colonialism, the eighteenth- and nineteenth-century colonisers crushed or extirpated the identity of the colonised. In Fiji, not only the indigenous Fijian traditions and values, but also the entire culture, tradition, language and religion of the diasporic labour force, inescapably branded as the alien ‘other’, was also inferiorised, diminished, made objectionable and, where possible, forbidden from finding proper expression. These were supplanted by the beliefs and values of the colonisers, to facilitate control over the ‘will’ of the subjugated and to undermine their sense of identity or the individual ‘self’. The ultimate aim of this was to emasculate and destroy any sense of their individuality and self-worth. Thus colonisation was shown to occur at various levels in Fiji, and involved the enslavement of the mind and intellect through the imposition of European values onto the lives of the colonised subjects. A key strategy was to utilise the hegemonic power of a foreign idiom, to tame the instincts and discursive faculties of the subject people and concurrently reinforce those of the colonisers. The colonial and post-colonial praxis sought to control the thoughts of the subject people in many potent ways, but the introduction of English as Fiji’s official language and the imposition of Christianity contributed significantly towards that goal – as did the reservation of early Western education for the benefit of chiefs, to the exclusion of the ‘commoners’ and the Indo-Fijians. The adoption of the English education system was the primary instrument of control, which enabled the appropriation of written history (oral histories can survive in strong communal settings) and the progressive devaluation of the vernacular. The British education system left behind a psychological scar which continues to influence the imagination, institutional structures and the discursive orientation in Fiji. Its deeper significance is realised through the articulation of more personal experiences, as sometimes robustly argued and presented in a contemporary discourse that is both liberating and deeply confronting. For one educationist it:

…transformed Pacific ways of knowing, being and doing. The ideological, political, economic and social structures currently in place today are manifestations and hybrid versions of the colonial project. Colonial ways of knowing and doing, together with ‘western’ values, attitudes and cultural practices, permeate the lived experiences of the colonized to such an extent that they have become part of the postcolonial landscape. At the point of decolonisation, if there is no deliberate effort to resist, overthrow, even transform these colonial legacies, then inherited structures and systems will become normative and hegemonic fixtures of national life.\(^\text{12}\)

In another context the Indian scholar, Ashis Nandy, points to the evil of ‘mental colonialism’, which ‘colonises minds in addition to bodies and…releases forces within colonized societies to alter their cultural priorities once and for all.’\(^\text{13}\) Jedi Shemsu Jehewty, on the other hand, has

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12 Puamau 2005, p. 3.
similarly expounded the notion of ‘intellectual neocolonialism,’ in the context of reassessing the invention of modern African thought. In a similar vein it has already been pointed out that the Pacific minds still remain ‘colonised’ long after the official dismantling of colonialism in the 1960s and 1970s. Thus the failure to dislodge colonial ideology after independence, and the institutional structures left behind in Fiji by the British helped the transition to neocolonialism, and their combined impact cannot be understated in connection with reshaping the psyche of the post-colonial Fijian society.

In many other ways the dominant Western (a code word for ‘white’) culture continues to construct its discourse in the sophistications of its dialect, bordering on intellectual appropriation (e.g. phenomenology, scientific framework, historiography, or hermeneutics) that imposes from above a glass ceiling. Despite the constant mantra of globalisation, in a retreat from diversity the language of media, however analysed or deconstructed, retains its institutionalised power, and in contemporary discourse the defense of its hegemony is often articulated in terms of a number of specific strategies. The first is by a process referred to as ‘blackballing’: the dissentients are identified as a threat and easily silenced. The management of debate and exclusionary practices is facilitated by the act of re-labelling or assigning epithets to outsiders who are considered unwelcome participants in any debate. Secondly, through the approach of ‘re-packaging’ any criticism is termed ‘polemical’ or an ‘apologetic’, to deflect attention away from sharper focus on the subject matter under scrutiny and any accompanying disparagement as ‘suspect’. Thirdly, by ‘jawboning’ anything distasteful or derisive is interpreted as ‘knowns’ or sufficiently examined, to reinforce the self-deception as the norm and confining the unexamined as ‘too hard’. Finally, if all else fail, ‘firefighting’ is adopted to simply reject outright all challenges or criticisms. The adoption and survival of these strategies are contingent upon hiding behind connections to power, positions or networks of alliances. On closer examination there is nothing novel about these practices. The more contemporaneous ideas on cosmopolitanism, egalitarianism, human rights or political correctness did not exist in the lexicon of the colonialists, but ongoing efforts at selective application of past prejudices are disturbing for those who continue to be humiliated by the media’s neglect of their experiences.

In stark contrast, the Indo-Fijians argue that the ‘Indian mind’ has been preoccupied in the sub-continent and beyond with resisting invaders, and its search for the meaning of inner self, human dignity and equality; they also claim that it contained vestiges to democratic tendencies from the

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14 Jehewty 1996.
15 See Keesing 1989, pp. 19–42.
beginning. In analysing Indian classical thought, the Indologists had wrongly perceived it as inherently spiritual and thus ‘life-negating’. In the context of Fiji, Gillion also appears to mistake this and wrongly attributes to the Indo-Fijian character an ‘inferiority-cum-persecution complex’. The Indo-Fijians were persecuted but their struggles emanated from their equality complex, not from a sense of inferiority, which would have predisposed them to accept the harsh conditions imposed on them. They do not consider themselves inferior to any race and for them ‘white skin’ has never been the proper justification for whitemens’ sense of their superiority. This was one reason why they were intensely disliked by the British. Against this underlying cultural conflict, the British perception of the indigenous Fijian was one of a guardian’s condescension towards children ‘not yet quite fully developed.’ The indigenous Fijian acquiescent attitude towards whites remained almost diametrically opposed to that of the Indo-Fijians, who challenged European dominance relatively early, and demanded equality, political rights and more libertarian values.

Accordingly, the white anger and disapproval of the ‘other’ was reworked through the hegemony of their language. Denying them proper education was one strategy and the elevation of English, in opposition to Fijian, as the official language served as a tool to dehumanise, orientalise and ‘subvert’ the Indo-Fijians early in their adventure. Newer versions of ‘otherisation’ have emerged in more recent times. Any resistance to colonial oppression was seen as disloyalty and the deliberate strategy of demonisation of Indians everywhere – and Indo-Fijians, in particular – had its genesis well before the period leading to the colonial era. This practice has continued as a justification for the retention of political power by indigenous Fijian elites and the neocolonialists. The paucity of support for resistance from the Western intelligentsia, not surprisingly, was countered by only a few but quite potent voices. Indo-Fijians unconsciously

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17 ibid.
19 Many Europeans consider that they have entered the Age of Reason or a post-Christian era, but other wisdom traditions remain powerfully symbolic, and are accepted as providing social cohesion central to the ethos of their adherents. The essence of Hinduism is metaphorically depicted in the struggles between forces of good and evil in the Rg Veda (between God and forces of darkness); in the Ramayana (dealing with conflict between higher knowledge and unrestrained egoism); in the Mahabharata (which describes the struggle between the devotees of righteousness or ‘dharma’ and justice (the Pandavas) against those who derive power through perversion of fairplay (the Kauravas)) (See Radhakrishnan 1971, p. 336). To the Hindus, Hinduism is not about blind adherence to the teachings of any prophet; the centrality of the Hindu message in all its scriptural treatises, including the Bhagavat Gita, the Brahma Sutras and the Upanishads, is free from dogmas, extolling the virtues of overcoming the forces of darkness or evil, which has provided Hindus with the strength and moral conviction to resist subjugation and repel invaders for thousands of years. Its doctrinal underpinnings are aimed at directing the practitioners to seeking union with tat tvam asi (that art thou) and, thus, the revelation of the Ultimate Reality (ibid, p. 18). In my view, apart from a few experts, this underlying message and the ethos of Hinduism is grossly misunderstood and misrepresented in the discourse of Western postmodernism, and by the Western world in general.
20 Gillion 1977, p. 188.
adopted the Sartrean central preoccupation, which saw cultural revolution as a means of attaining individual freedom. The Indo-Fijian cultural revolution (more an evolution) in Fiji was engineered delicately and pursued with requisite restraint. Its overt expressions were found in the pioneering works of NGOs and charitable organisations committed to providing educational opportunities for its young, and keeping alive its mass culture and spiritual heritage, its historical memories and its common myths; crucial too were the rights and obligations of its cultural membership, which nourished their common identity and afforded cohesiveness to their sense of community. An existentialist, Sartre strongly advocated a paradigm that promoted the struggles and sacrifices by the colonised, for it was their moral duty to resist oppression in all its forms; and political or intellectual action was therefore a ‘necessary condition’, not only towards ending oppression but eventual de-colonisation by any means, including violence.\textsuperscript{21} This was largely repudiated by Indo-Fijians, for the message stood in sharp contrast to the Indian ideals espoused by Gandhi, and his followers, notably Martin Luther King, Jr. and Nelson Mandela, in more recent times.

In Fiji, however, generational change has failed to redeem European guilt and instead has sought an escape from a ‘black arm band’ view of the European contribution of Fijian history. A reworked Euro-Fijian consciousness continues to make no allowances for vicarious Indo-Fijian suffering under the colonial regime. In the negation of their acceptance as full citizens, Indo-Fijians continue to be victimised by the ‘repackaging’ of their identity, and their ‘rebranding’ to suit the political and economic aspirations of the indigenous Fijian/European cabal or the unseen order which maintains control of the country. The colonial policy of racial separation served the interests of Europeans principally, but once the indenture period ended Indo-Fijians immediately came under sustained criticism for not assimilating with indigenous Fijians. Historically, Indo-Fijians did not yearn to impose their culture, religion or language on the indigenes, but they vehemently defended their right to enjoy their religion, culture and traditions. The Europeans, having created the problem of the ethnic divide, demanded immediate and radical change in Indo-Fijian ethnocultural attitudes but, due to the belief in their own superiority or exceptionality, freed themselves from similar observances. The drift of thought among the Europeans saw their encouragement of miscegenation as an answer to solving the abstruse problems of racial identification in Fiji. After de facto segregation of the two communities, it was always going to be a challenging proposition. Ideally, their hope lay in the Indo-Fijians perpetually remaining supine and invisible, but they were prepared to settle for racial admixture to press any political advantage or to expiate their unexpressed guilt. This would have afforded

\textsuperscript{21} Sartre 1964.
two other advantages: the potential for their conversion to Christianity and the ‘bleaching’ of their lore or ‘Indianness’. Anecdotally, however, the product of miscegenation could only ever be identified as ‘black’, or ‘half-breed’, or part-European, or Eurasian, or could be absorbed into the other races but they are not accepted as ‘whites’. Indo-Fijians interpret such incursions into a domain they regard as sacrosanct, not only as a procrustean endeavour to subvert their heritage but also as an affront to the dignity of their ‘fallen soldiers’. They take offence at the attempt to recast their traumatic experiences under British colonialism in benign terms, to satisfy the contemporary need to access a more accommodating history, and consider it dangerously deceptive and dishonest. They argue a great debt is owed to their forebears by the indigenous Fijians, but especially the Europeans. They seek neither monuments to their struggles nor compensation for their systematic exploitation, but pursue proper recognition of the truth in order to heal the wounds of colonialism and its attendant oppressiveness. Indo-Fijians suggest they don’t have to apologise to anyone for being who they are and what they have achieved through their struggles under exploitive and difficult historical circumstances.

They argue that Indo-Fijian identity continues to be socially-constructed, representing a collective narrative of ‘outside’ group imagination. Indo-Fijians know they are not seen as ‘Fijians’, as it is a word hotly contested for exclusive description of the indigenous Melanesians (the Taukei or Kaiviti). There is no desire on their part to be identified as indigenous Fijians, but they always thought they were ‘Fiji Islanders’ or ‘Fiji citizens’ like members of other ethnic communities; the post-coup rhetoric of the indigenous militant groups implies, however, that they are not fully-fledged Fiji citizens. These radical views stand in sharp contrast to Ratu Mara’s criticism in Auckland during the International Pacific Island Conference for its failure to recognise Indo-Fijians as Pacific Islanders. As a keynote speaker at the Pacific Vision he stated:

This is a conference of the Pacific communities in New Zealand, yet the Pacific Vision literature I have read appears to have an omission. There is no reference that I could see to Indians from Fiji. Fiji Indians are full citizens. They are officially designated as Fiji Islanders and one, the Honourable Mahendra Chaudhry, is now prime minister. They may have a distinct and different appearance and characteristics and been late arrivals, but islanders they are.

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22 After Speight’s coup, an attempt was made to obtain compensation by the Peoples’ Organisation for Indo-Fijian Rights and Land Resolution, which presented petitions to the British and Indian High Commissions. The Australian High Commission refused to accept the petition in person, insisting it be mailed. The POIFRLR appeared disorganised and lacked any official backing or status, but its President Niraj Yadav said that it intended to seek compensation from the International Court of Justice, based at the Peace Palace in The Hague, Netherlands (Times of India, 3 April 2001 and <www.greenleft.org.au/back/2001/444/444p21c.htm>, viewed 15 May 2005). However, the ICJ functions as the judicial organ of the United Nations, mainly to settle legal disputes between states or to give legal opinion on matters submitted to it by duly authorised international agencies and the UN General Assembly.

23 Cited in V. Lal 2000, p. 7. All references to ‘Indians’ should be read as Indo-Fijians.
It was a salutary reminder of Mara’s statesmanship and the inconsistency perceptible in his commitment to multiculturalism, at least up to that point. After the first coup he surprised many by tacitly supporting various revisions of the 1970 Constitution, bequeathed by the British, to whittle down Indo-Fijian rights; this occurred in the redefinitions and restrictions of their ability to engage effectively in the political processes or participate in the economic life of their country. They have emerged in fact as a ‘new class of nationals’ or ‘aliens’ without equal status with their compatriots, after relinquishing their right to aspire to any of the highest offices in the land of their birth and deferring to the prior interests of the indigene. The Indo-Fijians point to overt discrimination against them that serves as testimony to the irrationality of modern clichés and their subjugating power. They recognise that even the Constitution, prone to constant abrogation by force, provides them little comfort in terms of the security of their citizenship, amid constant calls for their repatriation to the land of their forebears with which they have long severed connection. Since the first coup, Indo-Fijians have been more forcefully opposed as ‘vulagis’ (foreigners/guests), even when they are fourth or fifth generation Fiji-born citizens. The majority of indigenous Fijians continue to regard them as outsiders, ‘Kaidia’ or ‘aliens’, meaning not quite Martians or extraterrestrials but strangers from India. They have been variously described but in the absence of a generally accepted word to describe all citizens of Fiji, most Fiji citizens of Indian origin prefer the contemporary term ‘Indo-Fijian’, as it best describes their ethnicity, national status, territorial, and historical or cultural connections.

For Indo-Fijians their negative characterisations by indigenous Fijians are largely imitative of European pejorative sentiments during the colonial era. Because of their refusal to serve in the Fijian army during WW2, except on the same terms and conditions as whites – which, according to Indo-Fijians any self-respecting human should and would have done – they are still branded as lamulamu (a coward) or kocokoco (selfish). But as more fully discussed in Chapter 5, contrary to the popular myth fostered by the British when it suited them, thousands of Indians served in the Indian/British army and died for the British; their loyalty and contributions to what was then an occupying power for the Indians are ignored. The Europeans who refused to serve on moral grounds qualified as ‘conscientious objectors’, and their cowardice or selfishness is not under moral assault. However, the Indo-Fijian refusal to serve under a discriminatory pay structure and without equality for the benefit of their oppressors remains etched in the European/indigenous Fijian memory, and routinely repeated in most discourse originating in the Western world, including the more contemporaneous. Its motivation appears to be grounded in neocolonialism, as Sartre had warned, a system which enabled the surrogates (the local comprador class, local Europeans, Indo-Fijian corporate elites and indigenous ruling class) to continue to serve the
interests of the erstwhile European colonisers. The Third World needed protection from precisely these kinds of manipulation, for neocolonialism has just as much potential for violence, oppression, and terrorism as colonialism.\textsuperscript{24} The system of patronage and the ongoing corporate domination of the economy have been graphically demonstrated in Fiji since the May 1987 coups (Chapters 2 and 4). As in many other places, myths in Fiji are perpetuated and lies, subject to constant repetition, take on the appearance of truth. This is consistent with Said’s assertion that in cultural discourse, exchanges circulated as ‘truth’ are really ‘representations of truth’; a lie can also be seen as truth or, more ominously in the fascist ideology of the Nazis, a lie often repeated takes on the appearance and becomes the truth. In Fiji, as the preceding section has demonstrated, the demonisation of Indo-Fijians was a strategic enterprise to deflect attention away from their exploitation, together with the grassroots indigenous Fijians, and the compelling need for the unseen order and the indigenous ruling elites to hold on to the power. The concentration of media ownership in the hands of a few media moguls ensures that any threat to the status quo preserved for the benefit of the unseen order is quickly rebuffed.

\textbf{7.2. Voices of the Unseen Order Exploiting Fears Implanted in the Psyche of the Ethnies}

The allegorical reference attributed to Ratu Sukuna which depicted Fiji as a ‘three legged stool’ hardly anticipated the ongoing discourse on the clash of cultural identities and construction of distinctiveness based on ethnicity, religiosity, traditionalism, and institutionalised practices. Ratu Sukuna imagined a more inclusive society based on tolerance and an acceptance of the notion of unity in diversity. Despite his commitment to a shared destiny the actual breakdown in inter-ethnic relations occurred during his lifetime. Since the mid-1940s the prodigious impact of Western culture, tradition and Christianity was not perceived by indigenous Fijians as a threat to their primordial attachments, customs or traditions, but the ‘other’ foreign culture, although not directly influencing indigenous identity, was always feared. There is an inherent contradiction in their hostility to perceptions of threats from Indian culture against the realisation that indigenous Fijians have been largely influenced by Western culture and tradition that at first contact replaced their primeval religiosity with Christianity.

The perceived threats to indigenous Fijian society in general, and its wider implications for their paramountcy were instilled into the indigenous consciousness by the Europeans, from the time of Indo-Fijian arrival in Fiji, for a number of reasons: first, Europeans wished to pursue a policy of covert separate development of all three major races in Fiji (latent apartheid); second, they were

\textsuperscript{24} Nkrumah 1965. He was Ghana’s first President and some believe this book contributed to his downfall.
determined to engineer a divide and rule strategy to sabotage any attempts at promoting inter-ethnic engagement with a view to exploiting both dominant ethinies as well as the economic resources; and, third, their numerical inferiority was a source of anxiety which exposed their vulnerabilities, on account of possible co-operation or alliances between Indo-Fijians and indigenous Fijians. Ratu Sukuna, an intellectual and a visionary, saw virtue in inter-communal harmony, recognised the contribution of Indian settler community and realised the benefits accruing to the indigenous community; he also correctly cautioned against the dangers if all the lands were, through NLTB leases, monopolised by the Indian settler community.25 As an indicator of early cooperation, the Indo-Fijian leaders A.D. Patel and Vishnu Deo recognised the need to preserve indigenous paramountcy in government,26 and on Ratu Sukuna’s death Vishnu Deo expressed their collective grief: ‘the [Indo-Fijian] Indian community had lost a very good friend.’27 However, the continued European articulation of indigenous concerns was designed to serve two purposes: it created a façade of their generosity towards the indigenous Fijians and thus encouraged chiefly acceptance of their divide and rule policy, even if it violated the rights of indigenous Fijians; and it operated to obstruct possible alliances between the two exploited ethinies whilst creating a repository of the European goodwill amongst the indigenes, despite the systematic European repression of both.

In defense of British policies in Fiji it has been argued, ‘Whether we like it or not, the Fiji Indians are the heirs of an independent India, a strong, admirable and democratic nation. The Fijians, seeking to be a nation, find themselves crippled in their pursuit of their own national identity.’28 In establishing a nation in terms of their ‘Fijianness’ to the exclusion of Indo-Fijians, only the indigenous Fijians ‘have been crippled by two waves of colonialism.’29 John Davies presents a seriously flawed argument, by linking Indo-Fijians with India when they have all but severed political or economic ties with that country. They are no more ‘heirs to an independent India’ than white ‘immigrant’ Australians, New Zealanders, Canadians or even Americans are to that of an independent Britain, or some other corner of Europe or other nations from where their ancestors originated. Any suggestion of ‘Indians’, in Davies’s lexicon, colonising indigenous Fijians unobtrusively misconstrues their historical exploitation and the circumstances of their transmigration. Indo-Fijians argue that ‘Indians’ did not arrive in Fiji uninvited, without a visa, in ships armed and ready for warfare with the natives. They did not seek conversion of natives to their religion or declare their racial or religious superiority to hunt down the natives, or, for a few

26 ibid, p. 152.
29 ibid.
trinkets or guns, grab vast swathes of territory for their own settlements. Davies’s analysis attempts to transfer British/European guilt and responsibility for exploitation and plunder onto Indo-Fijians, whose vicarious suffering shielded the indigenous Fijians from humiliation and exploitation. ‘Indians’ were uprooted, dispossessed and relocated to a hostile environment, to guarantee the preservation of indigenous Fijian culture or their ‘Fijianness’, and to ensure their ethnic identity remained intact – their very existence depended on the success of the indentureship endured by the Indo-Fijians. It is in this oversight of Davies’s argument that one finds similar convenient omissions in the contemporary Western discourse, disregarding the control of Fiji’s economy by the local neoliberal elites and foreign capitalists (mostly from the UK, USA, Australia, New Zealand, Europe and Asia), where one can situate the exoneration of European guilt. It is a remainder of the ease with which the unseen order can escape even intellectual interrogation. There was only ever one period of colonial exploitation of Fiji and that was for ninety-six years under the British. Scholastic casuistry disguised as ‘facts’ to reconfigure Fiji’s history, cannot erase incontrovertible facts that do not accord with Davies’s version of the country’s narrative or its historicity.

Davies offers a passionate defense of indigenous Fijian interests and believes that ‘the few small islands that constitute the Fiji archipelago are the only possible spot on the entire planet where [indigenous] Fijian aspirations of nationhood and cultural pride can be played out. Once eroded or lost, there is no motherland over the horizon to which pilgrimage can be made to seek rejuvenation or solace – Fiji is the only place in the world [indigenous] Fijians have.’ But he does not see any contradiction in his failure to extend the same logic to the largely destroyed indigenous cultures of the Australian Aborigines, the American Indians, the indigenous Hawaiians, the Maoris and other indigenes. In fact, there is little room for tolerance of white guilt in relation to these groups. Although not a direct issue, the indigenous Fijians are not being displaced or denied the right to freely settle in any democratic country to preserve their language, culture and tradition. For example, vast numbers have settled in North America, Australia and New Zealand since the coups. In Sydney, a large indigenous Fijian community boasts its own radio program, remains free from racial or religious vilification, freely practices its culture and tradition, remains unharassed to speak its language, practices the religion of its choice, maintains its dress code, and promotes its culinary delights. In their adopted countries, indigenous Fijians enjoy the full equality and freedom they wish to deny other communities, including Fiji-born citizens in ‘their’ homeland. In the secular traditions of the post-Christian era it is the vitality of Western culture, language and traditions that threatens indigenous Fijian culture, as it does all

30 ibid, p. 19.
other cultures. Cultural globalism is not a figment of our imagination; it is a reality most cultures around the globe have to deal with on a day-to-day basis. This universal problem is not unique to indigenous Fijians; all ethnic groups, including Indo-Fijians/Indians, also have to deal with it in Fiji/India. There are however moderate but contrasting voices that disagree with fear-laden arguments and present a more balanced sense of the Indo-Fijian aspirations and their broader intentions:

Indo-Fijians had no ambitions for “cultural imperialism”. In their post-coup submissions of the F Signed Committee 1987, Manuelli Committee 1989, and Reeves Commission 1995, they endorsed the belief that indigenous Fijians needed special provisions to protect their culture and tradition.

This was symbolized by National Federation Party leader Jai Ram Reddy’s emotional statement to the Great Council of Chiefs in 1997 that the chiefs were the chiefs of all Fiji Islanders.  

The broad Indo-Fijian support for affirmative action programs is well documented by most writers on Fiji. But the militancy of indigenous Fijian nationalists, which the military appeared to be unable or unwilling to control until the fourth coup, fails to concede proper appraisal of resource management of the country that takes into account the wider aspirations of all citizens. Such divergent attitudes operate to consolidate stereotypes on all sides, seen pre- and post-coups, and which continue to obstruct any desired level of inter-ethnic rapprochement.

There is a supposition among indigenous Fijians that relentless pursuit of the existing economic power by Indo-Fijians will eventually bestow a political power that will undermine the indigenous obsession with paramountcy. Political hegemony is highly prized as a precondition to acquire economic liberation and maintain the paramountcy of indigenous interests, however the Indo-Fijians appear to have done the opposite and the perceived threats of domination of the indigenes appear to have no basis in reality. There is another perspective on Indo-Fijian attitude:

The Indian role in urging Britain to establish an Upper House and thereby strengthen the political role of chiefs was conveniently forgotten. It did not square with racial interpretations of history. In fact, Indians rarely questioned Fijian rights or interests. They sought to end the inequalities of colonialism and to promote a form of peaceful coexistence. Accommodation was as much a feature of Indian relations with Fijians in the past as it was in 1987. This best explains why, immediately after the coup, a kind of fatalism enveloped many Indians: they talked not of struggle, but of emigration.  

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31 Robie 2000c.
32 Robertson & Tamanisau 1988, pp. 101–102. References to Indians and Fijians should be read as Indo-Fijians and indigenous Fijians respectively.
In analysing inter-ethnic ‘fears’ few commentators, even amongst the indigenous Fijians, have defended their cause as passionately as Davies. He criticises Indo-Fijians, expatriates, indigenous Fijian/Indo-Fijian academics, and even EU representatives for deconstructing and diminishing indigenous Fijian fears by adopting:

…a class based view of the source of country’s trouble…that conveniently absolves its proponents from addressing the more uncomfortable and intractable issue of ethnic solidarity and interests, while passing the blame squarely on to [indigenous] Fijian shoulders alone.33

In Davies’s view the absence of ‘communal violence’ should not be used to downplay the root cause of conflict centred on race, and he advances a number of reasons why such a view can be seen as problematic.34 First, citing vanhanen (1999), he suggests that there is ‘global empirical evidence’ that ethnically divided societies are more prone to ethnic conflicts. This is true of all societies, but inter-ethnic conflict in Fiji is a product of white social construct and the un/intended clash had to happen sooner or later. All conflicts have underlying reasons: countries like Canada, New Zealand and Australia are hardly model societies, yet they maintain varying degrees of racial tolerance and actively pursue cultural diversity. Second, he suggests lack of violence in Fiji is a function of the propensity of Indo-Fijians to eschew violence and the ‘hospitable’ and ‘peaceful’ nature of the indigenes even under provocation, complemented by indigenous Fijian leadership (presumably the Chiefs), and the exclusively indigenous Fijian army devoted to preventing outbreaks of violence. It seriously overlooks the violence against Indo-Fijians in thought and actions of the members of armed forces and ultra nationalists, discounting the complicity of militant nationalists and prominent chiefs in the first three coups. The RFMF’s failure to either prevent the outbreak of violence or to adequately protect ‘all’ dissidents, including the Indo-Fijians and their properties, is well known. In the aftermath of the coups, the authorities watched in a state of paralysis whilst militant mobs went on a rampage, burning and looting in the streets of main cities. Random attacks on Indo-Fijians, sexual violation of females and the destruction of property forced many to flee to the temporary shelters created in western Viti Levu. Third, he argues the ‘activism’ of the Indo-Fijian community provokes divisions amongst indigenous Fijians, arising from ‘differing assessments over the appropriate political response to, and the nature of the social, cultural and economic engagement’ with them. Indo-Fijians are (were?) full citizens and indigenous Fijian rhetoric seeks their subservience in a similar vein to the nature of colonialist discourse. Why don’t indigenous

34 ibid, p. 21-23.
demands apply equally to all communities in Fiji? Their stance lends credibility to the view that such implied support of recurrent ethnonationalism is based on the expectation that the Indo-Fijian should meekly submit to the unseen neoliberal order imposed from outside the nation. Fourth, he suggests ‘Indian’ commentators have a tendency to over-emphasise intra-indigenous Fijian conflict to divide and weaken their opposition. Indo-Fijians had been in Opposition since independence, with the exception of a year of the Chaudhry government, and for a month and two days under Bavadra; under the adversarial Westminster system it is the role of Opposition to weaken its opponent. The divide and rule strategy was a potent tool in the hands of the colonialists, but it has been retained by a neocolonialist cabal of the Chiefs, Europeans and the Indo-Fijian corporate interests. Strategies subverting inter-ethnic accommodation and for internalising dissent were amply demonstrated by the revelations in the 1982 Carroll Report.

Fifth, he notes it is far easier for ‘liberals’ to portray the ‘root cause of Fiji’s instability’ as intra-indigenous Fijian rather than inter-ethnic, so as to change the indigenous Fijian mindset by the full force of law or values enforced by the state’s coercive approach ‘through information and education, the transcendent virtues of multiculturalism, pluralism, individual human rights, and democracy’. He overlooks that intra-indigenous Fijian rivalry is but one of the explanations; ‘perceived’ racial conflict remains the dominant rationalisation of the coups. It was not dispelled until after the fourth coup which clearly exposed divisions within the Fijian establishment, and even during the third coup the nationalists/Taukeists did not enjoy the full support of all indigenous Fijians, especially their ruling elites. Finally, he insists ‘intra-Fijian [indigenous Fijian] struggles to transcend ethnicity as the dominant source of conflict’ negates the possibility of their ‘feelings of national and cultural pride,’ as others do. He argues it is naïve to expect uncritical acceptance by indigenous Fijians of an ‘assertive immigrant population’ whose presence cause ‘demographic, cultural, economic and political diminishment of [indigenous] Fijians in their own land’; such oversights leads to what Davies calls ‘racism by omission’. However, demographic changes were unavoidable the moment British sought economic migration, but how does one explain the rejection of similar concerns in countries where whites or other communities have caused demographic changes? There appears to be no basis for asserting cultural, economic and political appropriation of indigenous Fijians by Indo-Fijians. The assertiveness he refers to came from the minority Europeans, who were the most ‘assertive immigrant population’ and whose presence transformed Fiji as it did the lives of the exploited labour force. Thus Davies has argued that the class-based intra-indigenous Fijian conflict becomes a ‘product of ‘the politics of illusion’’ and can be seen as ‘a triumph of ideology over history.’

To the citizens of Fiji who are the targets of pogroms or organised violence

35 ibid, 23.
perpetrated by ultra nationalists, there is nothing illusionary or imagined about Fijian ethno-politics, where the white ideology continues to triumph and remains integral to the aspirations of an unseen order. In the arguments presented there appears to be a remarkable absence of European culpability in sowing the seeds of discord in Fiji; European commitment to the hegemony of a monoculture; European pretentiousness towards cultural pluralism; and, consequently, European suppression of social integration. In fact, European failures hardly feature in his assessment of explanations for inter-ethnic conflicts.

Davies further argues that indigenous Fijian fears of losing their country are justifiable. He refutes the arguments supporting the in-built constitutional guarantees for the indigenes in respect to native land, their culture and other interests, as reiterated in the decision of the Fiji Court of Appeal in the case of Republic of Fiji v Prasad.36 He rejects the claim by the prominent Australian lawyer Geoffrey Robertson that the ‘1997 Constitution is one of the finest in the world in safeguarding indigenous rights.’ As a result of the flaws in the structure of native landholdings, which preclude the ownership of native lands to be beneficially held by the ordinary indigenous Fijians (i tokatoka) and their inability to freely utilise land titles for their economic advancement,37 he compares the plight of indigenous Fijians to those of Aborigines in Australia and the Yanomani in Brazil. This comparison confounds reason, given that indigenous Fijians, unlike indigenous people anywhere in the world, largely escaped colonial dispossession or humiliation, had always owned and controlled over 83% of their ancestral lands (increased to almost 90% since 2002), were largely protected by the colonial native policy, and were in control of government and their resources since independence. Whilst portraying Indo-Fijians as aggressive immigrants, his oversight of British racism, oppression, and exploitation of Australian Aborigines (including genocidal massacres), Maoris in New Zealand, American Indians, or blacks in South Africa, is consistent with the colonisers’ attempt to create smokescreens and rewrite history in terms of the perceived shortcomings of the ‘other’. The most disturbing feature of such arguments lies in the sympathisers’ reliance on the colonial absurdity that finds no harm done to the victims (Indo-Fijians, indigenous Fijians and ‘Others’ not allied with the nationalists, and the whole country) by the three coups (the mere commission of a treasonable act is violence); under this rubric, victims are perceived as second-wave colonisers and coups become ‘bloodless’, ‘most polite’, with indigenous Fijians apologising to the Europeans (not their other compatriots) for any inconvenience. Perhaps the most interesting aspect of Davies’s examination of the conflict lies in the manner in which he jettisons any consideration of the role of

37 See Davies & Gallimore 2000c.
colonialists and their responsibility for indigenous Fijian complaints. The Indo-Fijians are now held wholly responsible for a litany of their complaints, which emerge as the Fijian Question (see below).

In contrast, there is little doubt that the continuing Indo-Fijian apprehensions spring from their experiences under colonialism, which sought to exploit and then discard them to the fringes of the Fijian society. After the completion of girmit, the assertiveness of their forebears in response to the early colonial hostility towards them was to carve out a space and identity in order to avoid dispossession, disenfranchisement and a status as stateless inhabitants. From the onset of their arrival in Fiji their struggles were centred on a sense of fairness, equality and izzat (honour). They had to fight long and hard to shake off the shackles of colonialism. Their memory remains afresh with the sacrifices of their forebears and as a community they have become weary of the regressive forces that attempt to redefine their role in contemporary Fijian society. The Nigerian author Chinua Acebe captures the essence of their despair in the echoes of the African maxim that states, ‘until lions have their own historians, the history of the hunt will always glorify the hunter.’ This succinctly describes the dilemma for all formerly subjugated peoples who intuit a desire to converse with their colonisers, who later write their histories in a way that continues to resist the revelation of truth when considered ‘inconvenient’.

The main Indo-Fijian fear is born out of the post-coup nationalists’ demands that progressively seek an abridgement to their hard-won rights as Fiji citizens. They do not control the key instruments of power and have a token presence in the armed forces. Their other principal concern relates to the dispossession experienced by many immigrant communities in other states; for example, Indians and Europeans in Uganda, the Chinese in Malaysia and Indonesia, and white settlers in Zimbabwe. The underlying reality of Indo-Fijian political power in contemporary Fiji is mystifying because any electoral gains are likely to become a source of conflict and potential coups. The concurrent expectation that their economic successes be curtailed or reversed so as to facilitate indigenous ascendancy in politics, commerce and professional life in Fiji also appears repressive. As a community they have been reduced to the status of a political eunuch and offered a redefined space in the abstraction of the Fifth World. The chiefs, RFMF and the nationalists remain adamant and reject any notion of negotiation on this position, and Indo-Fijians now understand they have three options: they can emigrate, they

38 Scarr 1984, p. 152.
40 However, the army’s earlier hard-line attitude, allied with the nationalists’ rhetoric, is now being questioned under the leadership of Commodore Bainimarama.
can stay and accept their diminished status, or they can renew their struggles to retain their rights - not necessarily through violence.

The less sympathetic commentators suggest that Indo-Fijians see themselves as ‘victims’, and remain committed to changing ‘the political system so as to ensure they are never again second class citizens’. Davies does not find much wrong with either being a second class citizen or the horrific conditions of Indo-Fijian indenture; he broadly equates it, in fact, with the experience of British working classes in the mines and factories. He believes that the British did the Indo-Fijians a favour, helping them to escape ‘the grinding, unrelenting poverty’ but forgetting to mention the British role in economically raping India and creating that poverty. He applauds the generosity of the British, who increased the Indo-Fijians’ opportunity to be able to emigrate to the West; yet the overall success of Indo-Fijians in Fiji is a product of their physical exertion, their uphill struggles and enormous sacrifices, not a product of British generosity or sense of fairness. The Western media and human rights advocates are portrayed as mistaken in extending any sympathy through their ‘projection of victimization, [which,] when deconstructed, while no doubt having much objective truth, is nonetheless the product of clear embellishment’. He finds comfort in the nationalist argument that Indo-Fijians are inclined to exaggerate their situation in Fiji. He suggests these are strategic devices to garner Western sympathy and to create a guilty feeling among indigenous Fijians, who are seen as largely ‘moderates’. In his view, the coups provided an opportunity ‘for the West to offload on to Fijians some of the ‘white guilt’ of its colonial past. This raises the obvious question: would similar callousness have been shown if the Europeans had been targeted and suffered beatings, if white women were raped, if there was theft and wanton slaughter of white farm animals, or if there was burning and desecration of the Christian churches by the Indo-Fijians? For Davies, indigenous Fijians have an ‘indigenous identity crisis’ and are burdened by ‘guilt’, requiring an apology indicative of one given to the relatives of British missionaries killed and eaten by indigenous Fijians in the early nineteenth century. Contrary to the ample evidence of anti Indo-Fijian diatribe, Davies remains troubled by ‘an increasingly politically correct world’ where Indo-Fijians have cultivated and marketed the twin ideas of ‘victimization’ and ‘helplessness’, and see these ideas as their ‘exclusive

42 ibid, p. 25.
43 See Ravuvu 1991, p. 94.
44 Davies 2004, p. 25.
preserve’. In trying to articulate Indo-Fijian fears, he ends up providing a defense of indigenous Fijians and largely absolves the British for the demise of the country. Indigenous ‘pride or nationalism’, he rightly points out, should not be mistaken as ‘anti-Indian’, ‘un-Christian’ or ‘criminal’ but it is the mobilisation of ethnonationalist discourse and its impact on Indo-Fijians that is the cause for concern. Indigenous Fijians have a right to preserve their ‘Fijianness’ but reciprocal Indo-Fijian desire becomes a problem of acceptance and is of their ‘own-making’, because of their desire to preserve their ‘Indianness’, their ‘lack of assimilation, the unwillingness to learn the Fijian language’ and their own racism. In his analysis, the deliberate colonial strategies of separate development, exploitation and under-development of indigenous Fijians – including covert British racism directed against both races – are exonerated. For Davies, ‘Indians in Fiji are victims of history’ or of ‘themselves’, but not of white racism, exploitation, greed or the deviousness of the colonisers. The fact that Europeans exploited Fiji and imposed their language, culture, tradition, religion, political and economic systems on a traditional society are inconsequential. There is not a country that Europeans colonised, plundered or settled in where they have respected the local cultures, learned their language or fully assimilated, but the Indo-Fijians are expected to defer to indigenous Fijians and do what Europeans refused to do anywhere, even when in full control of those countries. Of course, the media turns a blind eye to political correctness when it suits and today’s racists, white or black, are not being racist at all: they are simply taking pride in their race and their culture. Denigration of other cultures or religions when confronted becomes the subject of Western press freedom, their right to defend free speech, their values or their way of life.

After 129 years of contribution to the country of their birth Indo-Fijians protest that their position remains precarious. They find their identity is being reinvented or distorted, their political representation rendered ineffectual, their citizenship eroded, and they continue to be confronted by strident calls for repatriation to some other land from time to time. Their existence can be characterised as Kafkaesque, symbolising their current anxiety-ridden and bizarre alienation in the unintelligible, antagonistic and indifferent world to which they were deceptively transported. Having survived the brutality of colonialism, racism, exploitation, discrimination, and other atrocities committed against them by the British and their cohorts, they may yet face defeat and be forced to disperse by the winds of change that may take them to worlds as yet unexplored by them, even in their imagination.

7.3. Revisiting the ‘Fijian Question’: Whose Interests are Served by the Chiefs?
After the first coup in 1987, through to the late 1990s, the targeted political and economic reforms were aimed at placating the demands of militant Taukeists/nationalists, which found expression through a range of affirmative action programs initiated by the interim regime installed by Rabuka, and further consolidated during the two-term Rabuka government. Yet they failed to mollify the expectations of the militants, some powerful businessmen, the nationalists and sections of the ruling elites; their cumulative grievances culminated in the overthrow of the short-lived Chaudhry government, justified as necessary to deal with the ‘unfinished business’. The Qarase regime was on notice and early in its first term endeavoured to satisfy nationalist anger by introducing a set of remedial measures encapsulated in the Blueprint (Appendix K) that was expected to eliminate the ‘perceived’ inequalities between indigenous Fijians and other communities.

As Sutherland has argued, however, these well-intentioned but discriminatory reformative measures not only remained incompatible with the direction of much-needed economic reforms, but also failed to resolve the so-called ‘Fijian Question,’ inferring they left open the possibility of future coups (a fourth coup did materialise in 2006). He identified three elements to the Fijian Question: first, the central indigenous concern and angst about ‘economic backwardness’ and limited access to developmental capital; second, the overriding indigenous Fijian concern about educational underachievement; and third, the perception of threats to native leases, to the extent they were in Indo-Fijians hands and agricultural in nature. At face value these concerns appear reasonable and indisputable, and many commentators accept them as proper justification for indigenous political radicalism. On closer inspection, indigenous grievances can be rejected on the grounds of lack of persuasive evidence, and the misguided nationalist assumptions following the onset of the coup culture. Curiously, they insist on holding the Indo-Fijians accountable for the failures of the decisions implemented by the colonial administration and the successive Mara governments with the full concurrence of the GCC. In a display of mixed emotions, the extremist tendencies of the Taukeists/nationalists and the moderate voices give rise to differing interpretations of the perennial ‘Fijian Question’ that fail to abate inter-ethnic tensions.

The misperception of economic backwardness of the indigenes has been dealt with in Chapter 4, which debunked the notion of Indo-Fijian domination of the economy and demonstrated the rise of indigenous communal capitalism. In Subsection 4.2, a range of post-coup affirmative action programs for the indigenous Fijians were analysed, indicating a strong bias in their favour, that

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46 Sutherland 2000, pp. 206–207.
47 ibid.
established that lack of control over implementation of many programs, mismanagement and corrupt practices were responsible for the failure to deliver the economic benefits to the intended beneficiaries. Moreover, Section 4.3 identified areas of indigenous success through pooled investment strategies under communal capitalism, resulting in substantial indigenous control of the economy and the corporate sector.

The introduction of affirmative action programs, post-coups, provided the impetus for collectivist capitalism, and accelerated indigenous Fijian acquisition and control of the targeted 50% of the economy and corporate sector. Evidence of FHL’s successful forays into some of the most successful local enterprises confirm that indigenous Fijians now enjoy majority holding in a number of local-listed corporations, including control of some 9% of the FSC, indicating substantial indigenous control of sugar industry in combination with their ownership of land. Although not subject to analysis in Chapter 4, indigenous interests in other key industries, such as fishing, mining and tourism, often carried out in co-operation with foreign TNCs, suggest that indigenous Fijians cannot be said to be economically marginalised.

In contrast, after 130 years of back-breaking work under oppressive conditions, few Indo-Fijian farmers, if any, have shares in the FSC or ownership of freehold land. Historically, European settlement and the introduction of the sugar industry completely transformed Fiji, leaving behind a perception that Indo-Fijians have greatly benefited from the industry. In reality they derived little compensation for their physical exertion and their exploitation on the farms is widely documented. Firth has argued that there is less awareness of Fiji’s reputation as an efficient sugar producer and highly successful exporter in the first six to seven decades of its sugar industry. By 1913 the value of its exports per capita was close to those of Australia and New Zealand, and it maintained a ‘favorable balance of trade for 59 of the 65 years between 1875 and 1939.’ Nonetheless, the boom period did not deliver significant economic benefits to the Indo-Fijian farmers or the country at large because of the inequality inherent in the distribution of sugar export earnings. Under an arrangement, CSR’s entitlement was 62% and the white planters received 36%, but the exploited ‘Indian’ labourers, who actually generated the wealth, were allocated a paltry 2%. The full extent of the exploitation of the ‘Indian’ labourers is well

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49 Emerson-Bain 1994a.
50 Davies 2000b; Davis & Gallimore 2000.
52 Firth 2000.
supported in a case study,\(^{54}\) which reaffirmed the expropriation of ‘super-profits’ generated by the monopsony, the brutality of white racism, and the outflow of most of CSR’s share of proceeds to Australia and New Zealand. In the face of clear evidence that neither the country nor the farmers benefited from decades of vast wealth generated by the industry, there remains a persistent view amongst the indigenous Fijian nationalists, and some observers sympathetic to the imperial era, that Indo-Fijians have derived enormous wealth from the sugar industry.\(^{55}\) This view that cane farmers have prospered and are financially secure in a lucrative industry still persists amongst indigenous Fijians and some Western observers, notwithstanding its constant refutation in recent studies.\(^{56}\) They confirm that Indo-Fijians did not make their fortunes in the sugar industry, and that most farmers remain destitute, despite a few generations of back-breaking work in unforgiving and oppressive conditions. Their contribution to the nation was eventually recognised by CSR management, which charitably acknowledged that the Indo-Fijians ‘had been responsible for practically the whole development of the country, and …everybody in the Colony had greatly benefited by, and in a very large measure lived on, the primary industries carried on by [Indo-Fijian] Indian labor.’\(^{57}\) Despite political upheavals and uncertainties in relation to renewal of their leases, large numbers of Indo-Fijians continue to provide labour and farming expertise to the sugar cane industry. For the most part they lease the native land on which sugar cane is grown from the NLTB (Table 6.3). The total number of leases comprises a little over half of all agricultural leases, but constitutes only 13% of all native leases. They hold fewer non-agricultural leases and, in terms of the current rental regime (Table 6.4), they contribute millions per annum in agricultural or commercial rental income to the NLTB, part of which ultimately ends up in the hands of ordinary indigenous Fijians.

Yet the perception of the economic disadvantage of the indigene fails to subside, in part because historically there has been a strategic necessity to keep it alive. The focus on recent government-instigated reports to window-dress efforts to encourage grassroots indigenous participation in commercial enterprises is not new; the genesis of its rhetoric can be traced to the early 1900s, when an indigenous Fijian first pondered the question of economic backwardness and attempted to rectify the perceived disadvantages through indigenous engagement in commerce and agriculture. A number of commentators recognise the early contribution by a ‘charismatic’ and ‘legendary’ Nadi-born commoner, Apolosi Nawai, who, as early as 1911, urged ‘[indigenous] Fijians to go into large-scale commercial agriculture – coconuts, bananas, maize, rice and cane

\(^{54}\) Narsey 1979.
\(^{55}\) Davies 2000b; Davis & Gallimore 2000.
\(^{56}\) Narsey 1979; Knapman 1987; Reddy 2006.
\(^{57}\) Knapman 1987, p. 159.
planting. In a move that must have been revolutionary for its time, he challenged the ‘ethos and ideology of British colonialism,’ incurring the indignation of the colonisers and the chiefs desperate to defeat his proposals. In an impressive effort, he had formed the Fiji Company (or Viti Kabani) in 1914, with an initial capital of 10,000 pounds and seven directors, all of whom were Europeans for some inexplicable reason. It is not clear how he secured such a large sum of issued capital, but he assumed that 3,000 pounds (30%) of the paid-up capital represented a gift and utilised it for personal disbursements. This resulted in the seizure of the company by other directors who had him charged with fraud, leading to his eventual incarceration for eighteen months in Korovou jail. Clearly a man ahead of his time, he became a potent symbol of opposition to a combination of colonial native policy and chiefly indifference, which had a shared objective of rejecting any challenge to the established colonial order. However, he was no less antagonistic and hostile towards the Indo-Fijians, expressing his desire to ‘rid Fiji of the [Indo-Fijians] Indians.’

So the economic backwardness theory has been at the forefront of indigenous consciousness for almost a century; what is new is the way in which the argument continues to be regurgitated only to be reframed as contributing to conflicts between the dominant ethnies.

Nawai’s original criticisms and inflammatory statements primarily focussed on European domination; he predicted a European departure from Fiji, claiming to possess supernatural powers and promising indigenous ‘Fijians [sic] economic deliverance from Europeans.’ His treatment by the colonial administration exemplifies the conflicting nature of the chiefly collusion with the unseen order, and the desire of chiefs for hegemonic control over indigenous Fijians, often at variance with the wider aspirations of the grassroots. The very survival of chiefs (and the GCC) is dependent on the need for the indigenous Fijian community to retain a consensually hierarchical delineation among the lewenivanua, i tokatoka, bati, and the turaga. If there are no ordinary indigenous Fijians there will be no need for chiefs and, in an often-expressed view of Mara’s, ‘a chief without his or her people’s support was not a chief.’

Like Nawai, many talented commoners or free-thinkers understood how the British had formed a cabal to impose a political and economic order, buttressed by the rigidities of the system of Fijian Administration and fully sanctioned by the chiefs. Through this strategy the British had effectively suffocated the indigenous advancement in commerce and agriculture, based on a

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59 ibid; see also Robertson & Tamanisau 1998, p. 10.
61 ibid.
dangerous assumption that they would remain content with their subsistence-level affluence. In challenging the colonial order Nawai underscored the impact of the colonial policies governing the indigenous Fijians, especially the failures of the chiefs to promote the interests of the grassroots. In his audacious but flawed approach, he tried unsuccessfully to economically liberate his people. Historically, commoners or outsiders who posed a threat to the oligarchy of eastern chiefs were severely dealt with by the indigenous aristocracy allied with the unseen order. In more recent times, the ostracisation of Butadroka in the 1970s (arguably for the right reasons), the treatment of Ratu Osea Gavidi in 1982, and the demise of an arriviste Bavadra in 1987 can also be understood in line with this reasoning for, above all else, Bavadra’s victory represented a challenge to an established orthodoxy which was never going to be tolerated by indigenous elites.63

Despite lingering concerns about the underrepresentation of indigenous Fijians in the commercial sector, it was not until 1959 when the British set up a Commission of Inquiry undertaken by Prof. O.H.K. Spate of the Australian National University. The Spate Report identified two principal causes of the economic under-development of indigenous Fijians: ‘the indigenous Fijian communal way of life,’ and the ‘Fijian Administration system’ instituted by the British. In essence, Spate was reinforcing the arguments mounted by economist Paul Baran in 1957, that in colonised societies the main reason for economic and social backwardness were found in colonialism/imperialism, which institutionalised a variety of structures enabling the commandeering of resources for the benefit of ruling elites and the establishment of feudal classism, with the tendency to strengthen ‘commercial capitalism’ to the detriment of its transformation to ‘industrial capitalism’.64 The Spate Report recommended that indigenous Fijians faced a choice between ‘rigid authoritarian collectivism’ and individual enterprise, or the galala farming considered undesirable for the indigenous Fijians by their chiefs.65 The recognition of the dilemma of ‘authoritarian’ communalism has been a perennial problem for the indigenous Fijians, its dismantling frustrated by deference to the chiefs and their status as divinely-ordained, incapable of any challenge mounted by the commoners. In conjunction with the Fijian administration system (see below), it continues to adversely impact the livelihood of ordinary indigenous Fijians.

The Spate Report was closely followed by another Commission of Inquiry in 1960 (Burns Report by Sir Alan Burns, a former governor of Nigeria) with an expanded terms of reference to

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63 See also Durutalo 1986, pp. 40–43.
64 See Baran 1957.
examine demographics, resource management and inter-ethnic relations. Burns concurred with the findings of the Spate report, but crucially reiterated the root causes of indigenous Fijian grievances by identifying the contradictory expectations generated by their ‘leisurly’ lifestyle, lack of entrepreneurship, lack of financial discipline, communalistic values that opposed individualism, and their strong commitment to tradition and communal obligations. In denying existing empirical evidence, in their submission to the Burns Inquiry the chiefs had actually rejected the proposition that both the Fijian administration system and communalism were hindering the entrepreneurship of indigenous Fijians to compete on an equal footing with other communities. The chiefs were motivated by self-preservation and, despite the unequivocal findings in both reports, they failed to commit to reforms for the benefit of indigenous Fijians – although some recommendations were adopted by the chiefs without great enthusiasm. Lal has noted their reluctance to act and, despite Burns’s sympathetic treatment of their submission, the Burns Report recommendations were excoriated by a number of leading chiefs, especially Ratu Penaia Lala, Ratu Mara and Ratu Penaia Ganilau. By mothballing the report and failing to adopt its key recommendations, the chiefs had demonstrated that self-interest took precedence over the greater good of grassroots community. It leaves open the larger questions: Why spend taxpayer funds to commission reports if there is no desire to act on their recommendations? Whose interests did the chiefs serve? What is the contemporary justification for apportioning blame to the Indo-Fijians?

The chiefs traditionally had to put on different hats to serve the conflicting needs of their masters and their subjects. By the turn of the century, the criticism of the Gordon-Thurston system of native administration emerged from within the ranks of the colonialists, and many indigenous Fijians had begun to express reservations about its effectiveness. There was a growing recognition that the Fijian administration system inhibited indigenous progress and that flaws in its administrative structure helped exploit the ordinary indigenes; yet the chiefs defended the

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68 In 1900, Morgan Fincune (chief medical officer of the colony), in a lecture to the Royal Colonial Institute in London, attacked the inadequacies of the Fijian Administration system.
70 According to Lal 1992, p. 18 ‘[indigenous] Fijians were administratively organized into seventeen provinces, many under their own hereditary chiefs (roko tui) but some under the headship of European commissioners. The provinces were subdivided into some eighty-four districts (tikina) under the leadership of the buli, who were responsible to the roko for the proper maintenance of the villages and for implementing resolutions and regulations passed by the authorities. The buli were assisted by “native stipendiary magistrates,” who adjudicated local disputes and breaches of the stringent code of Native Regulations, which was designed to preserve the communal structure of [indigenous] Fijian society. At the bottom of the hierarchical order were the turaga ni koro, village headmen, generally responsible for public order and administration at the local level. Over and above all these officials was the Bose Vakaturaga, the Council of Chiefs, composed of roko, chiefs, and other officials, which usually met annually to apprise the governor of matters of concern to the [indigenous] Fijian people.’
system to the Burns Commission and saw no legitimate reason for its restructuring, even though Governor George O’Brien had likened the system to being a ‘government by the Chiefs for the Chiefs’ (emphasis added), sentiments that were largely shared by many succeeding Governors.\textsuperscript{71}

Although they lack direct relevance, in terms of the historical progression, Lal has also identified four misjudgements by the British, which contributed significantly to the curtailment of indigenous engagement in commercial activities in the early 1900s.\textsuperscript{72} The first was their custom of \textit{lala}, which obliged the ‘people of the land’ (\textit{lewenivanua}) to set aside for the ‘chiefs’ (\textit{turaga}) the ‘initial fruits of their harvest’; the pretext was that this bonded them, providing social cohesiveness and direction. For the chiefs it was a win-win situation, for it provided them with the ‘sinews of war’ or ‘ways and means,’ depending on prevailing circumstances. The British exploited this loophole by making the custom enforceable under the Native Regulation (1877), extending it to include ‘building houses, planting gardens, constructing roads, feeding strangers, cutting wood and building canoes, fishing for turtles, and any other works of public good,’ and insisted that ‘the people of the land shall obey and respect their Chiefs and Magistrates in things lawful.’\textsuperscript{73} Later, in 1892, another requirement was added, involving ‘carrying official letters, ferrying government officers and messengers across the water and compliance with the resolution of the Provincial or District Council which shall have the written sanction of the Governor.’\textsuperscript{74} These stipulations were not appreciated by the \textit{lewenivanua}, as they officially sanctioned their exploitation as unpaid labour for the benefit of the government, their Chiefs, and later even for the missionaries.\textsuperscript{75} In 1905, the government officially abolished the custom of \textit{lala}, although it endured in the Lau islands. The second drawback to their early economic progress arose from their unhappiness with the taxation, imposed on them between 1896 and 1902 to collect ‘revenue within the framework of their traditional subsistence way of life’; they found it both ‘discriminatory and burdensome’. The colonial administration’s justification for special taxation was the costs of administering special programs for them, because the ‘Crown had forfeited all claim to unoccupied lands in Fiji’ which would have otherwise raised revenue. The third decision proved particularly destructive due to limits placed on indigenous Fijian commercial activities by the Native Trading Ordinance (1891), which restricted indigenous Fijians to transact business with non-Fijians to a maximum value of only \textit{five pounds}. It was a crippling arrangement suppressing their commercial development, awareness or productive engagement in capitalist enterprises, exacerbated by the fact that all contracts in excess this paltry figure required the

\textsuperscript{71} ibid.
\textsuperscript{72} ibid, pp. 20–33.
\textsuperscript{73} ibid, pp. 20–21.
\textsuperscript{74} ibid.
\textsuperscript{75} ibid.
approval of a magistrate. To add insult to injury, other races transacting business with the ‘natives’ had to register their contracts with the district magistrate or face heavy penalties for any breaches of the Ordinance. In arguing the measures were instituted to safeguard the indigenous Fijians from exploitation by other races, the British managed to achieve the opposite, undermining their potentialities to operate in a competitive environment and relegating them to a subsistence economy. This paternalistic attitude of the colonial administration, without regard to its adverse consequences, was encapsulated in the comments of Colonial Secretary William Allardyce in 1901:

The [indigenous] Fijians as a whole are a loyal, communal, conservative, law abiding, good natured people, thriftless unfortunately with no thought for the morrow, like most people to whom nature has been lavish with her gifts, disinclined to anything like hard work where it is possible to be avoided, ceremonious, impressionable, fickle, and with little or no firmness of character or forethought...There is no getting away from the fact that the [indigenous] Fijian is at heart a savage despite 60 years of christianising [sic] influence and 26 years of British rule.  

In the guise of protecting the loyal and noble ‘savage’ the civilised British had no concept of the long-term damage done to them as people or their livelihood. By 1903, however, the romanticism of such views was challenged by Governor Jackson, and the upper limit of the contract was increased to twenty pounds, with higher value contracts still requiring registration. It was the beginning of the change of attitude towards the indigenous Fijians but, as the ongoing deliberations demonstrate, despite existing empirical evidence, it failed to engage the chiefs to resolve the complex issue of the underlying causes of their failure and to engage in commerce or organised agriculture. The fourth decision involved the restrictive and unconscionable labour laws framed to comply with the native policy, due to the peculiar circumstances of the indigenous Fijians. They could only be recruited to work if the recruiters were licensed and they had obtained prior approval from the buli, generally bribed to obtain consent. These restrictions on recruitment could also be circumvented through reliance on the Masters and Servants Ordinance (1890), which empowered the District Commissioner not the chiefs to approve recruitments. Despite the ‘protective provisions’ of the 1980 ordinance, indigenous Fijians continued to be exploited, and by 1926 this strategic loophole allowed a diminutive force of 2,051 indigenous Fijians to work on the plantations or for CSR.  

These four colonial-era strategies highlight the early exploitation of indigenous Fijians by Europeans and their paternalism towards the ‘native’ Fijians, with tacit support from their chiefs. Despite being the

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77 Ibid, p. 28.
target of indigenous anger, the Indo-Fijians, neither through governance nor covert strategy, were responsible for poor indigenous representation in commercial or agricultural activities.

In the wake of two major Commissions of Inquiry, as independence approached, the chiefs were fully aware of the stirrings of restlessness among the grassroots and, in 1969, the GCC passed a resolution to bridge the gap between indigenous Fijian and Indo-Fijian rates of participation in commercial activities.\(^\text{78}\) It must be noted that the political or media rhetoric has never shifted, remaining problematised in terms of bridging the fiscal gap between indigenous Fijians and Indo-Fijians. In the context of the economic backwardness theory, the oversight of an enormous fiscal gap between the two dominant ethnies and the extremely prosperous Europeans is seldom, if ever, scrutinised by the commentariat. Inevitably, the de facto segregation of all races almost guaranteed inadequate direct Indo-Fijian support for indigenous Fijian businesses or any desired level of cooperation among the ethnies, but in the 1960s an attempt was made to encourage more indigenes to undertake business activities, through the creation of an indigenous ‘Fijian Chamber of Commerce’ under the progressive NFP leadership of A.D. Patel.\(^\text{79}\)

After independence the nationalists reiterated their well-known set of demands, and a number of affirmative action programs were introduced to promote indigenous welfare and participation in commercial activities. In 1975, the Mara government established the Business Opportunity and Management Assistance Scheme (BOMAS) which, in addition to providing services to many indigenous companies between May 1975 and December 1984, extended soft loans to the value of F$6,721,553 to indigenous Fijians.\(^\text{80}\) A US-funded project, called the Rural Area Appropriate Technology Unit (RAATU), provided technical assistance to remote islands inhabited by indigenous Fijians.\(^\text{81}\) These schemes were augmented by the Fiji Development Bank’s preferential financing to indigenous Fijians, through its Commercial and Industrial Loans to Fijians Scheme (CILFS). In addition, through its Joint Venture Loans Scheme, the FDB offered monetary incentives, training and management advice to indigenous Fijians. In February 1974, the Ministry of Fijian Affairs (MFA) created a special Project Evaluation Unit to ‘assist [indigenous] Fijians both individually and in groups to understand, cope and operate within the modern business world.’\(^\text{83}\) Moreover, by the mid-1970s most foreign aid was disproportionately

\(^{78}\) Lal 1988, p. 16.  
\(^{79}\) ibid. In 1987, after the first coup, the Viti Chamber of Commerce was formed to encourage indigenous participation in commercial enterprises (Sutherland 1992, p. 193).  
\(^{81}\) ibid.  
\(^{82}\) It was established three years before independence in 1967.  
\(^{83}\) Lal 1992, p. 233.
spent on indigenous welfare. For example, between 1976 and 1980, from a total of F$8,774,000 aid funds from the European Union (EU), $6,674,000 or 76% was spent on infrastructure in the islands and confederacies represented by the indigenous elites linked to the Alliance Party; this eventually became a source of discontent among the ordinary indigenous Fijians, fuelling intra-Fijian rivalries.\textsuperscript{84}

In the 1970s a number of major agricultural development projects were commenced primarily for the benefit of indigenous Fijians. They included the partly \textit{NZ aid} and partly \textit{FDB funded} beef project undertaken by the Uluisaivou Corporation,\textsuperscript{85} which commenced operations in 1976 to develop 10,000 acres to stock 11,000 cattle and to embark on other agricultural projects located between Raki Raki and Tailevu. The flow-on benefits to the regional area included the upgrading of roads, provision of ancillary employment, and improvement in the skill-set of the locals. Another beef project was commenced in 1977, funded by \textit{Australian aid} at Yalavou,\textsuperscript{86} Sigatoka, to develop 60,000 acres of reserved mataqali land to resettle indigenous Fijian families; each was allocated an average farm of between 300 to 400 acres. The individual farms were developed and then leased out to 71 farmers, in contrast to the Uluisaivou scheme which was primarily a collectivist enterprise. A third project in Vanua Levu, called the Seaqaqa Settlement Scheme,\textsuperscript{87} was initiated by the FSC in 1974, to boost sugar production by 200,000 tonnes through the reclamation of an additional 12,000 acres. The technical assistance and partial funding for the project came from the World Bank, which organised US$12 million loan to Fiji government. This major project, worth US$26 million, greatly benefited indigenous Fijians upon completion of land clearance, resettlement of farmers, construction of tramlines, upgrading of roads, completion of a drainage improvement sub-project, the construction of depots and the development of the township of Seaqaqa. Furthermore, the Mara government undertook to invest in the development of the timber and fishing industries, largely aimed at the indigenous community. As discussed in Chapter 4, based on a 1969 UNDP/FAO study and its 1972 report, the Fiji Pine Scheme was established in 1976 to develop pine plantations in western Viti Levu. The UNDP/FAO completed another report in 1973 on the feasibility of exploiting Fiji’s large reserve of marine resources, which led to the establishment of a skipjack tuna industry in Fiji. All these projects had a substantial foreign aid component, utilised predominantly for the welfare of indigenous communities. Additional redistributive efforts for the benefit of indigenes after the coups have been documented under Section 4.2. They indicate an enormous commitment by the

\textsuperscript{84} ibid.
\textsuperscript{86} ibid, p. 31.
\textsuperscript{87} ibid, p. 32.
Rabuka and Qarase governments to appease nationalist demands and to attempt to redress perceived economic disparities. Several programs drive home the point that redistribution of wealth has benefitted the more affluent indigenous community and its ruling elites. Their anachronistic institutions and paternalism towards the grassroots continue to impede the latter’s unhindered participation in a globalised free market economy. There is growing evidence, however, of the increasing wealth generation potential of the grassroots through collectivist or pooled investment strategies, using a range of indigenous investment vehicles – most notably the FHL. In the light of sustained efforts to encourage indigenous entrepreneurship through communal capitalism, indigenous Fijians cannot be said to be economically disadvantaged or suffering from economic backwardness.

With respect to the second limb of the Fijian question, regarding educational underachievement, the problem can be traced back to the turn of the twentieth century, when about 2,447 white settlers had overall control of the economy, and practiced a form of apartheid that oversaw separate development for Europeans, Indo-Fijians and indigenous Fijians. The two government-funded schools in Suva and Levuka (the original capital) were reserved for children of whites only, to the entire exclusion of all others, including the part-Europeans. This policy was duly endorsed by Governor May in 1911, who believed that ‘contact with coloured children whose precocity in sexual matters and whose less careful upbringing at home is a real danger to white children.’ The Queen Victoria School was established in 1907 for the sons of chiefs but Europeans opposed Western educational facilities for Indo-Fijians, as they would have been ‘inimical to the colony’s economic interest’ – an euphemism for the notion that educational opportunities should be denied to the Indo-Fijian children. It was a both racist and discriminatory policy that provoked Indo-Fijians into pioneering their own education through the volunteer efforts of NGOs and religious bodies, such as Sangam, Sanatam Dharam, Arya Samaj, the Fiji Muslim League and the Sikh Society (Khalsa). The early Christian missions were focussed on indigenous Fijian education, investing less energy on ‘Indian education’. The efforts of Methodist, Anglican and Roman Catholic missionaries in the Indo-Fijian community yielded few converts. It must be recognised that many Indo-Fijian leaders received their early education in Christian schools, and, in fairness to the Christian missionaries, that they challenged the lack of official commitment to the education of ‘Indians’ and lent their support to the findings of the 1909 Education Commission, which reaffirmed inadequate support for ‘Indian education’.

88 ibid, p. 33.
89 Cited in Lal 1992, p. 34.
90 Gillion 1977, pp. 118–119.
was followed by the 1926 Education Commission,\textsuperscript{91} which reached similar conclusions to those of the subsequent 1944 special report on education.\textsuperscript{92} Contrary to the indigenous Fijian refrain, by 1929 secondary education was not offered to Indo-Fijians, forcing the principal education officer, A.I. Mayhew, to note in 1936 that ‘[Indo-Fijian] Indian education in quality and quantity in all respects and grades is still considerably below the level of [indigenous] Fijian education.’\textsuperscript{93}

In reality, the ‘initiative for the education of [Indo-Fijians] Fiji Indians came mainly from the people themselves.’\textsuperscript{94} Remarkably, in 1921 Indo-Fijians were still excluded from Levuka Public School, even though they had to pay an education levy.\textsuperscript{95} The latent apartheid practiced by Europeans was aimed at suppressing ‘Indian education’ and restricting the entry of non-whites into their exclusive enclaves, with the exception of their coloured servants. It serves as another example of white attitudes and supremacist sentiments, undermining not only the education but, through its inaccessibility, the social and economic advancement of the two dominant communities.\textsuperscript{96} This form of subtle white racism in Fiji and its impact on education is often underemphasised or excised from the contemporary discourse on Fiji, but it was just as insidious as that endured by people of colour in Australia, South Africa and the US.

It is well established that the Europeans had little enthusiasm for educating non-whites in colonial Fiji, and the development of non-elite indigenous Fijian education was frustrated and ‘neutralised by indifference with the Great Council of Chiefs.’ \textsuperscript{97} Lal argues that a greater awareness and enthusiasm for change came not from the chiefs, but from Viti Cauravou (the Young Fijian Society), established in 1923 by former students of Queen Victoria and Davuilevu Schools. It espoused indigenous Fijian control of their affairs, together with their social or cultural renaissance. The group demanded an agricultural college for indigenous youth over sixteen, their exemption from any communal responsibilities, plus improved education for indigenous females and payment of ‘rent’ to indigenous Fijians on their alienated lands, mostly held by Europeans. The chiefly undermining of grassroots education in favour of their own ranks was in response to their fear of loss of privileges and status. An example of this is given by Lal,\textsuperscript{98} who noted that the GCC refused a university scholarship to ‘Rusiate Nayacakalou, a commoner who later emerged as the most brilliant Fiji-born social scientist of the twentieth century.’ He was

\begin{footnotesize}
\item \textsuperscript{91} ibid, p. 121.
\item \textsuperscript{92} ibid, p. 129.
\item \textsuperscript{93} Cited in Gillian 1977, p. 125.
\item \textsuperscript{94} ibid, p. 128.
\item \textsuperscript{95} Lal 1988, p. 87.
\item \textsuperscript{96} ibid, pp. 34–35.
\item \textsuperscript{97} ibid.
\item \textsuperscript{98} Lal 2006, p. 5.
\end{footnotesize}
fortunate enough to access a scholarship from a large local business, Morris Hedstrom, to complete his university education.

Despite the failure of Viti Cauravou, due to ‘combined opposition from chiefs and colonial officials,’ by 1932 indigenous Fijians had far better educational facilities and support than Indo-Fijians. There were 109 government-assisted indigenous Fijian schools, compared with 43 for Indo-Fijians, of which only 6 were government schools. By 1955, these numbers had improved to 310 and 149 respectively.\(^9^9\) The 1969 Education Commission identified a number of qualitative issues as contributory factors: the isolation of rural indigenous Fijian teachers from centres of learning and their lack of intellectual stimulus, the shortage of qualified indigenous teachers, rural poverty, and social distractions operated as barriers to indigenous Fijian education.\(^1^0^0\) Based on its recommendations, 50% of government scholarships were reserved for indigenous Fijians for nine years, and university scholarships were awarded to indigenous Fijian students attaining a ‘university entrance pass mark of 216, while Indo-Fijians needed 261 to qualify.’\(^1^0^1\) Such a discriminatory education policy became a contentious issue in both the 1977 and 1982 elections. The nationalists had demanded 90% indigenous representation in the Parliament, with all key positions reserved for the indigenous Fijians without their having to achieve comparable grades to gain tertiary education. It seemed grossly unfair to other communities, who were denied access to political power and equal opportunity at work for being an ‘other’. After the 1982 election the Fijian Teachers Association called for scholarships reserved for indigenous Fijians to be increased to 70%. The proposal was rejected, but educational facilities were upgraded and more trained teachers offered to indigenous Fijians schools, in addition to improving the learning environment for indigenous Fijian students at USP.\(^1^0^2\)

In recent research\(^1^0^3\) it has been argued that the NFP’s education policies in the 1970s pressured the Mara government into introducing free education at the expense of other policies, aimed at eliminating communalism and greater integration, which encouraged continuing volunteerism in the education sector and stifled the government’s plan to initiate cross-cultural language learning as an initial step towards adoption of an all-encompassing distinctive identity for Fiji citizens. Gaunder holds NFP policies responsible for the ossification of ethno-politics, because of the propensity of Indo-Fijian leadership to inadequately explain the need for preferential treatment.

\(^{100}\) Lal 2006, p. 32.
\(^{101}\) ibid, p. 33.
\(^{102}\) ibid.
\(^{103}\) See Gaunder 2007, p. 92.
for indigenous Fijian students, for the sake of equity. She excoriates them for politicising it and for making the USP quota system a major issue during the 1977 election, causing many to abandon the Alliance Party.\footnote{ibid.} Yet it was hardly a policy likely to improve the ‘quality’ of indigenous education, which was the central point of the debate – it established a criterion for rewarding underachievement. Tupeni Baba, an indigenous Fijian academic, who later became the Deputy Prime Minister in the People’s Coalition Government, warned presciently in 1978: ‘In my view, the so called [indigenous] Fijian education problem is a national problem and…it is going to determine in a significant way how we are going to live together in this country as a multiethnic and multicultural society. Can we afford not to meet this challenge?’\footnote{See Baba 1978, cited in Gaunder 2007, p. 91.} It was recognised as a national problem but it needed more objective evaluation of its other dimensions: the quality of indigenous education, the strategies to accommodate integration of schools and introduction of curricula fostering cross-cultural understanding. In recent years there has seen considerable progress towards integration, and although some schools are still categorised as ‘Fijian’ or ‘Indian’, of the 672 primary and 142 secondary schools in Fiji, 91% and 58% respectively are multiracial\footnote{Lal 2006, p. 134.} – which suggests that much work remains outstanding. Within the first few months of his coup, Rabuka’s government established a special Fijian Education Unit within the Ministry of Education to monitor the progress of indigenous students and improve the teaching of science.\footnote{ibid, p. 103.}

It was followed by the Qarase government’s blueprint for indigenous Fijian education, which waived fees for Form Seven (final-year) indigenous students and offered state assistance to only indigenous Fijian schools. It adopted a recipe for the ongoing racialisation of educational opportunities, reinforcing overt discrimination against Indo-Fijians and ‘Others’. The indigenous Fijians remain dissatisfied, producing further animosity and distrust between the two ethnic communities when the policy is juxtaposed with the indigenous demands for the reservation of key government appointments, plus 50% of civil service positions for indigenous Fijians.

On the whole, available evidence indicates that colonial officials, chiefs, missionaries and successive governments were more favourably inclined towards indigenous Fijian education. In the light of this analysis, there does not appear to be a plausible explanation for lack of support for indigenous Fijian education. In fact, they have enjoyed far greater financial and non-financial support for their education than Indo-Fijians. The root causes of the underachievement in education by indigenous Fijians can be understood in terms of the appraisal of their attitudinal,
traditional, intra-communal priorities, given to educating their children by individual families. Some eight decades after the failure of Viti Cauravou, many of its ideals were re-encapsulated in the Blueprint issued in 2000 (Appendix K) and the Twenty Year Plan for the advancement of indigenous Fijians and Rotumans. It is difficult to speculate about its impact on indigenous education and welfare, but anger born out of the undeniable political opportunism of their chiefs is directed towards the Indo-Fijians, who went about educating their children against official efforts to deny them proper education. To the extent to which indigenous Fijians remain dissatisfied, only an objective reassessment of their communal system, the role played by their chiefs and the valorisation of education in their families will help eliminate problems of under-achievement in education. Gillion correctly observes the lack of educational support for the Indo-Fijians: they started with only the ‘keenness of [Indo-Fijian] Indian parents and their willingness to sacrifice for their children’ and, within a short span, produced school leavers, businessmen, teachers, civil servants and overseas-trained professionals. Another recent study reaffirmed yet again that cultural differences arising from ‘values, beliefs and practices’ continue to impact the differing levels of educational achievement by the two communities, that Indo-Fijian culture valorises education of their young, regarding it more highly as the key to a better future. In contrast, the indigenous Fijian culture reinforces its communalistic lifestyle, encouraging indigenous children to remain loyal to their society, committed to communal and church activities which interfere with their education. In terms of key indicators of progress, Indo-Fijians continue to outperform indigenous Fijians academically. Many of these problems of indigenous education, also identified by the 1976 Senate Select Committee, still persist: absenteeism, lack of parental supervision, poor study environments outside school hours, and the general inability to circumvent cultural barriers.

In relation to the third limb of the Fijian question dealing with perceived threats to native leases, the war years had brought far-reaching changes to the indigenous Fijian administration, and the uncertainty associated with the native land leases was partially resolved by the creation of the NLTB in 1940. The Native Lands and Fisheries Commission was responsible for preparing a proper record of ownership of native lands, arranging a survey of unsurveyed lands, and maintaining and periodically updating the Register of Native Owners (or Vola ni Kawa Bula). The land issue remains at the heart of ethnic conflict, politically sensitive but periodically choreographed by the Chiefs, the landowners, the tenant representatives, and an assortment of other actors.
political opportunists to obtain political mileage. As early as 1923 Viti Cauravou called for collection of rent on lands alienated by Europeans, but the latter successfully turned them into freehold titles (still overwhelmingly held by their descendants or part-Europeans located on prime coastal areas of the main islands) and cleverly manipulated the politics, with the result that Indo-Fijians ended up with native leases administered by the NLTB. It must be recognised that native leases are only subject to disputation, to the extent that the leaseholds are in Indo-Fijian hands. An emotional indigenous Fijian claim to their lost vanua or any flow-on economic disadvantage is seldom promoted in relation to leaseholds held by other races or foreign investors. For now, any distrust or antagonism between the dominant ethnic communities has not abated and the possibility of any resolution to the entire satisfaction of all parties has remained elusive. This is all that needs to be recorded here as the problems associated with the ownership, access to various types of land and the myth of threats to native leases have been fully explored in the previous chapter. As with all other aspects of the Fijian Question, perceptions of threat to native titles turn out to be more mythical than real.
Chapter 8

Conclusion

In achieving the objectives of this thesis, the research efforts have been directed towards acquiring, reviewing and challenging empirical data, in confirmation of the hypothesis outlined in Chapter 1 that the real but latent conflict in Fiji is, and always has been, between the contradictory aspirations of an unseen order and the ruling elites, conjoined with the totalising power of trans-national corporate domination of Fiji’s political economy vis-à-vis those of the grassroots indigenes and the Indo-Fijian labour force. This unmanifest conflict has been erroneously portrayed in the contemporary discourse, including the media, as an inter-ethnic or a racially-motivated conflict between Fiji’s two dominant ethnic communities: the indigenous Fijians and the Indo-Fijians.

The various strands in the arguments presented in this thesis have been contested and proved by offering requisite evidence and, where possible, by my own assessments of objectivity, which rely on or contest the ‘discursive practices’ expected to reveal knowledge, and expressly utilised in deconstructing a set of endogenous myths about conflicted developments or the notion of the inevitability of the rise of coup culture in Fiji. It was argued and demonstrated that externally-inflamed racial tension was a factor but did not constitute the entirety of the dominant rationale of the conflict; that its underlying causes were contingent on the motivations of the unseen order operating in concert with the ruling elites and foreign trans-national corporations and, as such, that they embody key protagonists primarily interested in geostrategic considerations together with profit-maximisation opportunities or return on their investments.

Whilst many conclusions have been recorded in the appropriate sections of this thesis, the knowledge obtained from deconstructing the myths and integrating it with a holistic way of examining this complex problem has facilitated the overall conclusion that a combination of historical events, colonial and neocolonial institutions, and the politico-economic ideology of an unseen order continue to covertly underpin the direction of development in Fiji; and that they adversely impact the lives of the two dominant ethnies, especially the Indo-Fijians. The study finds that the political and economic order, externally imposed and sustained by the inertia generated by this ideology, helped to further consolidate the stranglehold on Fiji’s economy by the unseen order, and enabled its exploitation of country’s natural resources. The exploitation extends to the two dominant ethnies, who are portrayed as hostile and antagonistic to each other,
whilst the unseen order exerted its power and influence from an abstract space of invisibility. In addition, the thesis provides evidence that leads to the conclusion that indigenous Fijians always had full and effective control over their land and principal resources, but inadequate safeguards for their economic independence resulting from an over-reach of the power of TNCs and the unseen order. The duality of the unseen order and trans-national corporate domination continues to maintain economic suzerainty over Fiji and thus, by stealth, annexes and undermines its national autonomy. The progression from colonial to neocolonial to neoliberal state continued to exclude Indo-Fijians from its strategic objectives and the recurring coups have undermined their status, as they continue to languish as marginalised citizens with diminished rights and a questionable status.

A brief exploration of the historical and historiographical data in the early part of the thesis provided context and enabled conceptualisation of the research project. It reaffirmed that the circumstances of each of the three dominant ethnic communities (figuratively represented as Ratu Sukuna’s three-legged stool) were ideologically constructed in terms of the colonial schema, and that the underlying reality of their respective positions has not changed. It was the genesis of the evolution of the unseen order, supported by the patriarchy of the chiefs and the ruling indigenous elites, and inexorably interconnected with the powerful trans-national corporate lobby. The configurations of political and commercial allegiances and coalitions were forged out of political expediency, a need to access resources, ‘mateship’ or camaraderie born out of shared military experiences, a shared belief in Christianity, a surreptitious commitment to Western ideology, and the debilitating fear of the economic, socio-cultural or spiritual influence of the ‘other’. The assertion of rights and demands for equality following the liberation of the Indo-Fijian labour force represented a major threat to the status quo established by the unseen order. Accordingly, their aspirations had to be reworked, restated and repackaged as perceived threats to the political, economic and paramountcy interests of the indigenous Fijians. In reality, this was to preserve the paramountcy interests of the unseen order. It entailed the process of Saidian ‘otherisation’, whereby they were intellectually orientalised, inferiorised and demonised; their loyalty and identity was questioned, and their rights truncated as a means of maintaining power and privileged position in contemporary Fijian society. This subversion of Indo-Fijian identity or commitment to the country of their birth continues to stymie their acceptance and contributes to a coup culture antithetic to their proper politico-social representation, which promotes their misrecognition as the feared ‘other’. In a retreat from the global agenda extolled by the proponents of neoliberalsim, it has led to the emasculation of their citizenship status and re-confinement to an abstract space, inhabited by them as Fifth World citizens.
The arguments relating to the first three coups were framed in the Western media as a reflection of Indo-Fijian domination of Fijian politics, and threats posed by it (and other areas of their presumed domination) to the paramountcy of indigenous Fijian interests. Accordingly, the media was quite sympathetic to the indigenous Fijian grievance theory. Whilst it is quite unlikely a ‘smoking gun’ will ever be found with respect to probable explanations for the Rabuka and Speight coups, a number of theories are well known and widely accepted. A large body of evidence has surfaced which provides useful insight into the motivations of the key protagonists. This study reaffirms compelling data to support the view that customs and tradition, as well as race-centric and class-based political agitations, were indeed factors that partially contributed to the coups. In general, the debates are fairly well settled with respect to these probable causes, however there were two other under-explored dimensions of the justifications for the coups. More significantly, the study finds that there was insufficient attention given to continuing involvement of trans-national corporations in encouraging ethno-politics in Fiji. During the 1982 elections, American, British and Australian connections to big-money-dirty politics were clearly established and discredited by the ABC Four Corners Program (and the subsequent findings of a Commission of Inquiry). As a consequence of this, the Fraser government and a number of TNCs were seriously embarrassed by revelations of their complicity in interfering with the outcome of Fiji’s 1982 election. After the overthrow of the Bavadra government in 1987, further revelations surfaced that American, British, and Australian trans-national corporations were implicated directly or indirectly in interfering with local politics. In the indigenous consciousness, however, only political hegemony can guarantee paramountcy and to the unseen order and the TNCs, historically allied with the indigenous ruling elites, indigenous paramountcy interests had to be equated to their own self-interest. There is abundant circumstantial but sufficient corroborative evidence to suggest that TNCs played a significant role in supporting both the 1987 and 2000 coups. Following the coups they emerged as principal beneficiaries of the regime change, which not only re-imposed the old economic and political order but also instituted policies conducive to greater investment opportunities for them.

The second area subjected to a more in-depth analysis in the study indicates that there is little doubt that foreign intelligence services were involved in providing assistance to the coup-plotters. Despite the absence of unimpeachable sources of evidence, there is overwhelming circumstantial evidence suggesting that their involvement cannot be ruled out and, on the balance of probabilities, CIA complicity in the first coup is very real, despite denials by US officials and the Agency. Geopolitically, Fiji remains far too important to Anglo-American and
Australasian interests, and the unseen order appears to have utilised all its resources to ensure it safeguarded its economic and geostrategic interests.

As the thesis progresses, it is shown that the constant European/indigenous Fijian refrain that Indo-Fijians dominate Fiji’s economy is based on a misinformation campaign, undertaken as early as the 1940s. Ample research evidence suggests that Indo-Fijians only have strong presence in the retail and service sectors, and their ‘perceived’ economic influence is restricted largely to the Gujarati community. On the contrary, analysis of the timber industry indicates that indigenous Fijians have broad ownership and that they have strengthened their control over other emerging industries and key productive resources. Other than sugarcane production, which continues to be dominated by Indo-Fijian labour but not in terms of ownership of the sugar mills or infrastructure, other industries examined are overwhelmingly owned and controlled by indigenous Fijians. In fact, the evidence of the ascendancy of indigenous communal capitalism is very real and substantial, but it still leaves the impression that indigenous participation in commercial activities is limited, because their pooled investments in collectivist enterprises operate to obscure their visible presence and do not accurately reflect the level of individual indigenous Fijian ownership or participation across various industries. Currently they have collective ownership in a number of key industries entrusted to their communal investment vehicles, particularly FHL, YHL and other companies controlled by their provincial councils. These have amassed substantial investments across a range of lucrative enterprises. There has been considerable government support under affirmative action programs, both financially and in terms of resources, to encourage indigenous Fijian participation in commercial activities and improve the level of their technical skills. Whilst some measures failed to overcome targeted indigenous complaints, many programs introduced since the first coup have begun to deliver the anticipated ‘dividends’.

A central objective of the thesis was to examine the orthodox justifications for the coups, which principally interrogate the three dimensions of the so-called ‘Fijian Question’, together with other related indigenous fixations articulated by the nationalists/Taukeists to prosecute their claims to political hegemony, exclusivity on land titles, and their demand for prior recognition rooted in indigenous paramountcy. The arguments and revelations presented indicate the indigenous grievances are not well-grounded or supported by factual data, based on either historical information or recent studies. Where economic backwardness was once an issue for the indigenous community, it is no longer economically marginalised. The continuing claims of economic disparity between the two major communities (always ignoring huge disparity between
them and the Europeans) need to be counterbalanced against the ascendency of communal capitalism and its overall control of key industries in recent years. The inebriation of indigenous consciousness with the notion of Indo-Fijian dominance of the Fijian economy is based on an erroneous belief that ignores their proper representation in small businesses and service sectors. It also fails to recognise that only two foreign TNCs controlled up to 70% of the economy at the time Fiji attained independence; by 1995 one of them, the W.R. Carpenter Group (now MBf Holdings Berhad of Malaysia), accounted for an estimated 25% of GDP. Fiji’s economy continues to be dominated and controlled by an array of powerful TNCs and it is disingenuous to suggest that Indo-Fijians dominate indigenous Fijians economically or politically. On the second indigenous grievance, relating to their educational underachievement, historical data reveals that they received far greater support from the colonial and neocolonial state than the Indo-Fijians. The Indo-Fijian education was seen as inimical to the colonial interests and generally opposed by the colonial order, forcing it to pioneer its own education by mobilising NGOs, religious bodies and charitable organisations. During the colonial era there was considerable support for indigenous education, even if initially directed towards the ruling elites. Post-independence and post-coups several measures were introduced to improve indigenous education, some of which appear discriminatory to Indo-Fijians and ‘Others’ in contravention of the constitution. A continuing indigenous Fijian dissatisfaction with educational development or underachievement points to the need for a revision of their attitude to education, the commitment to education within individual families, and its valorisation in their culture. This leads to the third Fijian question of threats to native leases. There is no credible evidence to suggest that the ownership of native titles has ever been threatened. That question has been settled constitutionally, and currently the debates spotlight incongruities or contradictory positions on access to land, arising from either non-renewal of existing or issuance of new native leases. Despite various proposals expected to serve as agents of change, the current literature notes a lack of political will or an unambiguous roadmap to settle the overall question of native titles and the management of its leaseholds. The adversarial and aggressive nature of Fiji’s politics continues to maintain a disjunction between the expectations of landlords (mataqalis) and the lessees (tenant farmers), who are mostly Indo-Fijians, although their numbers are decreasing rapidly. As Table 6.6 shows, although 59% of leases were held by Indo-Fijians they controlled only approximately 15% of the total leased area. Nevertheless, in the context of ongoing political debate, land remains a sensitive issue due to the preponderance of agricultural native leases historically in the hands of Indo-Fijians.
The materialisation of a more egalitarian or libertarian society envisaged by Ratu Sukuna, freed from the obsessiveness of enforced inequality, continues to be undermined by the nationalists’ fixations on special rights and privileges for the indigenes, whilst instituting various forms of subjugation, coercion and denigration of the Indo-Fijians. The identity, loyalty and status of Indo-Fijians continue to be variously ‘subverted’ on the strength of their perception as intruders in a sacred land and their demonisation as the ‘Indian’, Kai India, foreigner, alien, guest, outsider, vulagi or the feared ‘other’ is considered to be just. A deeper rationale for this lies in the hostility it generates or the fissures it causes, for they serve the economic and political strategies of the indigenous ruling elites who are allied with the corporate interests of the unseen order. Equally, the country’s ability to realise its full potential continues to be thwarted, due to the pervasiveness of various forms of state-sanctioned discrimination that demands recognition of the ineffability of indigenous uniqueness. The disparate ideologies that undergirded the conception of a pluralist society, in terms of a ‘three-legged stool’, ultimately spawned a form of ethnic warlordism seeking preservation of hard-won rights, special privileges, shifting alliances, patronage and fiercely-guarded political factionalism.

The patriarchal male domination and factionalism within the oligarchic ruling elites was encouraged and supported ideologically by the unseen order. The removal of inequalities and the creation of a just and fair society committed to cultural pluralism was never part of its strategy in the colonial era and there was no compelling reason to alter its course post-independence. The likelihood of coups occurring in Fiji was, therefore, always feasible but not entirely for the reasons enumerated in the dominant narrative of Fiji’s first three coups. More critical analysis of the coups highlights the dysfunctionality of an engineered modern state, with its monopoly over the instruments of legitimate physical and psychological violence, its lack of sensitivity to the needs and interests of all its citizens, its creation of social conditions that left some economically disadvantaged and others politically vulnerable. Fijian society was held together by the coercive force of the dominant ruling elites (under Ratuism and bati delineation), supported by an unseen order whose self-interest and need to maintain internal order, as a last resort, could be protected by a homogenous military force. An attempted synthesis that recognised Fijian society was composed of disparate and conflicting elements, brought together and made subservient to the institutions of the state, fell prey to the absence of a common value system, a common national identity or identifier, and a shared vision that would have bound the populace in a neutralised space with a ‘social contract’ or the harmonised necessity for order that went beyond the pretense of democracy or tolerance of ‘unity in diversity’.
The final section of the thesis shows that the indigenous grassroots, and the *bati* represented by the largely indigenous RFMF,\(^1\) remain in thrall of their chiefs, who continue to mobilise presumptions of their divinity, the ideology of Ratuism, and an ethnocultural or ethnoreligious discourse to counter perceived threats to their interests. They conflate ‘imagined’ threats to indigenous interests, linked with those of the unseen order, with the threats to the paramountcy of indigenous Fijian interests. This study demonstrated that the chiefs were not motivated by the interests of the grassroots indigene, and continually invoked a variety of ‘perceived’ threats posed by Indo-Fijians to hold on to power and to deflect attention away from the limitations of their own leadership, now embedded in the hegemonic paradigm of progressive neoliberalism. The underlying realities under a reconstituted neoliberal hegemonic paradigm have not changed, except that the third leg has all but disappeared from the contemporary discourse, despite its growing power and influence.

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\(^1\) The Bainimarama regime actually sacked the chiefs and, for the first time, directly questioned the relevancy and role of the GCC. Until then they were regarded as divinely ordained and highly venerated.
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Appendix A

Topography of Coup Culture in Fiji

First Coup by Rabuka on 14 May 1987

Second Coup by Rabuka on 25 Sept. 1987

Third Coup by Speight et al on 19 May 2000

Fourth Coup by Bainimarama on 5 December 2006

July 1982 Dirty Tricks in 1982 Elections Carroll Affair

10 years after 1<sup>st</sup> 13 years after 2<sup>nd</sup> 6 years after 3<sup>rd</sup>

- *The Cadri Mai Movement, meaning to rise up, comprising some of his former co-conspirators, planned to topple Rabuka. He then openly challenged them to declare their position; forcing the leadership of the Methodist Church to distance itself from the destabilization of the SVT government, as reported in Pacnews 16 & 18 February 1998 (see Sutherland 2000, p. 223).

- **Speight claimed that the military’s imposition of martial law was in effect a counter-coup or a coup within a coup. In spite of differing interpretations, since independence in 1970 a clear pattern emerges, indicating indigenous Fijian determination to hold on to political power, notwithstanding the negative effects of ensuing instability and any economic or social cost to the nation.

Sources: compiled from Lal 1992, 2006; Wilson 2000; Sutherland 2000; various media reports.
# Appendix B
## List of Major Colonial Enterprises or Traders in Fiji

<table>
<thead>
<tr>
<th>Trading Entity</th>
<th>Location and date established</th>
<th>Principal Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.M. Brodziak &amp; Co.</td>
<td>(Levuka - 1870) also Rewa, Labasa, Navua, Nausori (1885/W.D. Scott &amp; Co.)</td>
<td>Importers, exporters, commission agents &amp; real estate, bought W.D. Scott &amp; Co. in 1885</td>
</tr>
<tr>
<td>Henry Marks &amp; Co. Ltd.</td>
<td>(Suva - 1881)</td>
<td>Importers, exporters, wholesalers and retail merchants</td>
</tr>
<tr>
<td>Sturt, Ogilvie &amp; Co.</td>
<td>(Suva - 1896)</td>
<td>Importers, general merchants and commission agents</td>
</tr>
<tr>
<td>Walter Horne &amp; Co.</td>
<td>(Suva - 1883)</td>
<td>Drapers &amp; general soft goods merchants</td>
</tr>
<tr>
<td>Messrs McGowan Brothers</td>
<td>(Suva- 1900 &amp; Levuka - 1904)</td>
<td>Drapery, iron-mongery, grocery &amp; sail-making</td>
</tr>
<tr>
<td>Hedemann &amp; Co.</td>
<td>(Levuka - 1871)</td>
<td>Importer/exporter of copra to Europe (Hedemann, Evers &amp; Co. dissolved after WW1 due to German connection of Messrs F.H. Hedemann)</td>
</tr>
<tr>
<td>Melbourne Hotel</td>
<td>(Suva - 1881 run by John Reading)</td>
<td>Premier hotel in Fiji, Victoria Parade, Suva</td>
</tr>
<tr>
<td>Messrs Barber and Message</td>
<td>(Wai ni Bokasi, Rewa)</td>
<td>General merchants and traders</td>
</tr>
<tr>
<td>William Joseph Butler</td>
<td>(Suva)</td>
<td>Practical watchmaker &amp; jeweller</td>
</tr>
<tr>
<td>Messrs Zoin Chong &amp; Co.</td>
<td>(Suva - 1894)</td>
<td>Traders/importers/exporters to the Orient</td>
</tr>
<tr>
<td>Messrs Corbett and Hunt</td>
<td>(Raki Raki)</td>
<td>Livestock</td>
</tr>
<tr>
<td>Fiji Banking &amp; Commercial Co.</td>
<td>(Levuka)</td>
<td>Banking</td>
</tr>
<tr>
<td>Bank of New Zealand</td>
<td>(Levuka - 1876)</td>
<td>Banking</td>
</tr>
<tr>
<td>Bank of New South Wales</td>
<td>(Suva - 1898)</td>
<td>Banking</td>
</tr>
<tr>
<td>Morris Hedstrom &amp; Co.</td>
<td>(Levuka - 1910)</td>
<td>General merchants and retailers</td>
</tr>
<tr>
<td>W. R. Carpenter</td>
<td>(Suva - 1914)</td>
<td>Importers, exporters &amp; distributors, bought Brown &amp; Joske in 1929 &amp; Morris Hedstrom &amp; Co. in 1955-56</td>
</tr>
<tr>
<td>Lever Brothers Ltd.</td>
<td>(European soap manufacturer)</td>
<td>Copra millers, oil &amp; soap producers</td>
</tr>
<tr>
<td>Cope Allman</td>
<td>(Suva/Anglo-Australian)</td>
<td>Copra processor and trader</td>
</tr>
<tr>
<td>Burns Philip (5th.Seas) Co. Ltd.</td>
<td>(Suva - 1920) and its affiliate Robie Kaad &amp; Co. where W.R. Carpenter was an employee.</td>
<td>One of the largest trading houses, acquired Cope Allman in 1979</td>
</tr>
<tr>
<td>Emperor Gold Mines Co. Ltd.</td>
<td>(Vatukoula - 1934)</td>
<td>Gold mining and timber</td>
</tr>
<tr>
<td>CSR Co. Ltd.</td>
<td>(Rewa - 1880)</td>
<td>Sugar producer and miller</td>
</tr>
<tr>
<td>Penang Sugar Estate</td>
<td>(Penang - 1878) run by Dr Chalmers</td>
<td>Sugar producer and miller, sold to Melbourne Trust Co. after his death in 1889, later sold to CSR</td>
</tr>
<tr>
<td>Vancouver-Fiji Sugar Co. Ltd.</td>
<td>(Navua - 1906)</td>
<td>Sugar producer and miller, later sold to CSR</td>
</tr>
</tbody>
</table>

Source: compiled from *The Cyclopedia of Fiji* 1907, reprinted 1984, Oceania Printers, Suva.
Appendix C

List of Major TNCs Operating in Fiji Between the 1970 and 1987 Coups

**Australian Corporations:**

1. W. R. Carpenters (South Seas) Group

   Largest commercial, manufacturing, retail concern, with plantations controlling copra, coffee, cocoa trade. The group controlled many subsidiaries and associated companies.

   W. R. Carpenters (South Pacific) Group comprised Carpenters Fiji Ltd., including its subsidiaries:
   
   - Morris Hedstrom Ltd. (subsidiaries Bure Advertising Ltd., Dominion Rentals Ltd. & Fiji Pastoral Co. Ltd.)
   - Carpenters Steel Co. Ltd. (Casco)
   - Carpenters Tractor and Equipment Ltd.
   - Island Transport Ltd.
   - Kanacea Ltd.
   - Millers Ltd.
   - Pacific Commodities Ltd.
   - Paramic Ltd.
   - Woolworths Ltd.
   - Taubmans Paints (Fiji) Ltd. (an associated company)

   They were broken into six operating divisions:
   
   - Morris Hedstrom & Courts Homewares – retailing and supermarkets in all major townships in Fiji
   - Carpenters Shipping – shipping services, customs clearance, waste disposal, and a large fleet of trucks, container trailers, forklifts. Shipping agents for China Navigation Co. Ltd., Nedlloyd Group NV, Pacific-Australia Direct Line, Columbus Line, Warner Pacific Line. Also agents for airlines Air Express International Corporation and Swiss Air
   - Carpenters Motors – biggest importer and distributor of Japanese vehicles and spare parts, provision of servicing
   - Carpenters Industrial – construction and repairing of ships, boilers, air conditioning and refrigeration, electrical installations and switchboard manufacture
   - Carpenters Agriculture – operated three largest copra estates at Delaiweni, Vunilagi and Kanacea
   - Kanacea Island Industries – operated largest copra mill at Suva

2. Burns Philp (South Sea) Co. Ltd.

   Second largest commercial, manufacturing and retail concern in Fiji, acquired Tourism Corporation of Fiji Ltd., Trans Tour Fiji Holidays, Tour Contractors Pacific (Fiji) Ltd., Asco Heavy Equipment, Naviti Investments Ltd. (94%).

   Burns Philp (South Sea) Co. Ltd. and subsidiaries:
   
   - Aircool Engineering Ltd. – airconditioning and refrigeration services
   - Corrie & Co. Ltd. – office machinery, distributors
   - Office Equipment Ltd. – office machinery, distributors
   - Wrought Iron & Steel Construction Ltd. (Wisco) – steel fabricators, furniture, glass and mirrors manufacturers
   - Burns Philp Trustee Co. Ltd. – real estate development
   *Casp Fiji Ltd. (CPL) – property
   *CPL subsidiaries: Casp (Disposables) Ltd. (paper products) & Cope Allman Yoshmo Ltd. (plastic products)

   In 1974, due to a downturn in economic activities, the group liquidated four divisions: Armstrong & Springhall (Pacific Islands) Ltd., Automotive Supplies Co. Ltd., Beechy Stinson & Co. Ltd., and Suva Glass and Mirror Co. Ltd.

   Parent company also engaged in:
   
   - shipping as agents for -
     - Nedlloyd Group NV (Amsterdam)
     - Bali Hai Service (Japan/Pacific)
     - The Bank Line (Fiji/Europe)
     - Blue Star Line (Fiji/NZ)
   - Retailing and supermarkets in all major townships
   - Shipping services throughout Fiji
3. Standard Concrete Industries - Subsidiary of Pioneer Concrete Services Ltd.
4. Fiji Gas Co. Ltd. - 50% Boral Co. Ltd. & 50% UK/NZ interests
5. Liquified Gas Carriers (Fiji) Ltd. - Subsidiary of Fiji Gas Co. Ltd.
6. Coral Gas Ltd. - Subsidiary of Boral Co. Ltd., operated gas tanker
7. Crest Mills (Fiji) Ltd. - 51% Crest Mills Australia, 34% NRM (NZ) & 15% by assorted local interests
8. The Fiji Times - 100% owned by Pacific Publications Ltd.
10. Westralian Forest Industries Ltd. - owned by Westralian Ply, an Australian company & owner of 60% of Fiji Forest Industries Ltd.
11. Queensland Insurance Ltd. - Insurer
12. L.J. Hooker - Real estate
14. CIG Fiji Ltd. - Industrial equipment, welding gear & paints
15. Zeus Industries Ltd. - Catering and refrigeration
16. Richardson Merrell Pty. Ltd. - Pharmaceuticals, insecticides
17. Nestle (Aust) Pty. Ltd. - Baby food, milk powder
18. ACI Harvey (S.P.) Ltd. - 53% Kiwi Polish Pty. Ltd., Melbourne
19. Carlton Brewery (Fiji) Ltd. - 96% Carlton United (Vic) & 4% W. R. Carpenter
20. Evercrip Snack Products - J/V between Australian and indigenous interests
21. Castle Trading - Malaysian family-owned food business, operating out of Australia
22. Emperor Gold Mines Ltd. - Gold mining at Vatukoula

New Zealand Corporations

1. Fletcher Group & Fiji subsidiaries - Diversified industrial and construction group
   - Fletcher Steel Ltd.
   - Fletcher Brown Built Ltd.
   - Fletcher Concrete Ltd.
   - McEwens Machinery Ltd.
   - Corrugated Steel Product
   - The Great Outdoors Ltd.
   - Fletcher Timber Co.
2. Mainseal (construction) - J/V with local Raghwan Contracting
3. Downer (construction) - J/V with local Moidean & Govind
4. John Heald & Son (construction) - J/V with local Lalato & Co./Central Pharmacy Ltd.
5. Oasis Industries - NZ’s largest soft drinks producer, had shares in Fiji Citrus Products Ltd.
6. General Foods (NZ) Ltd. - Owned Tip Top Ice Cream (US Co. operating in NZ) which later acquired Chutes Chicken Ltd.
7. Chemical Cleaning (NZ) Ltd. - J/V with largest local owned conglomerate Stinson Pearce Group, chemicals, Glaxo milk powder, complan health food
8. Timber & Building Supplies Ltd. - Controlled by R.W. Gurney, bought out NZ interest in Tourist Corporation of Fiji Ltd.
9. NZ Insurance Co. Ltd. - Merger among United Insurance Co. Ltd. (UK), Fiji Insurance Ltd. (Fiji) and NZ Insurance led to creation of Fiji Insurance Ltd. owned 69% NZ, 25% UK and 6% local interests
10. New Zealand Forest Products - Timber industry
11. BNZ - Banking
12. J. Wattie Canneries Ltd. - Agribusiness
13. AWA (NZ) Ltd. - Electronics
15. Kiwi United (S.P.) Ltd. - Ownership, some with Australian interests
16. Air New Zealand - Air services
17. Oceania Food - J/V between NZ and Japanese interests
British Corporations

1. Shell (Fiji) Ltd.
2. British Petroleum Southwest Pacific Ltd.
3. Fiji Development Company – subsidiary of Commonwealth Development Company (CDC)
4. Barclays Bank International
5. British American Tobacco Co. (UK) Ltd.
7. Rothmans International (UK) Ltd.

United State Corporations

1. Mobil Oil
2. Pizza Hut
3. McDonalds
4. Kentucky Fried Chicken
5. Continental Airlines

Large Local Entities

1. Fiji Sugar Corporation (FSC) - formerly CSR, an Australian-owned MNC sold to the Fiji government in 1973, which still remains the majority shareholder
2. Stinson Pearce Group
   Largest local conglomorate born out of merger between local Euro-Fijian Stinson family holding and Pearce & Co. (UK based company).
   Group comprised 23 subsidiaries in Fiji and NZ and expected to expand into Australia and Pacific.
   Owned Prouds, Seiko agency, Pacific Mercantile Co. Ltd. (agents for Canon, Japanese calculators, photocopiers, etc.) and Cold Storage Ltd., which it sold to Chemical Supplies Ltd. (50% NZ owned). Group collapsed after the 1987 coup.
3. Sun Ltd. - Costello family
4. Fiji Forest Industries (FFI)
   - 60% by Westralian Forest Industries & 40% CBM Holdings (Ganilau clan and Fijian interests)
5. FFI – Kabuna Ltd.
   - J/V between FFI and Kabuna Holdings (Cakobau clan and elite Fijian interests)
6. Fiji Pine Scheme
   - Controlled by Fijian interests in western Viti Levu in conjunction with British Petroleum
7. Desai Bookstore
   - Indo-Fijian business sold to NLTB
8. Rewa Dairy Co-operative
   - Indo-Fijian dairy farmers co-operative
9. Floor Mills of Fiji Ltd.
   - Floor mill
10. Fiji Foods Ltd.
    - Vegetable oil processor
11. Indo-Fijian Cinemas
    - Damodar Bros, G.B. Hari & Co., Pala Bros, G.J. Prasad
12. Local Constructions Companies
    - Reddy Constructions, J.S Hill & Associates, Moidean & Govind, and Raghwan Constructions
13. Local Indo-Fijian Supermarkets
14. Other major Indo-Fijian entities

Sources: Utrecht (ed.) 1984; Howard 1984; various media reports.
## Appendix D

### List of Companies in Hardwood Timber Industry

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kauri Timber and Land Co.</td>
<td>In 1940s was first company to hold major concession in Nadarivatu area.</td>
</tr>
<tr>
<td>Kadavu Timber Co.</td>
<td>Its major shareholder was Fletcher (NZ) Ltd. in partnership with local interests, ceased operations in 1976.</td>
</tr>
<tr>
<td>Pacific Lumber Co.</td>
<td>J/V between Fiji Development Company (FDC), a subsidiary of Commonwealth Development Company (CDC), Fletcher Timber Co. and NLTB (1/3 share each). It had a 30-year concession in Nausori Highland Plateau. Fletcher Timber Co. sold its share to NLTB in July 1981.</td>
</tr>
<tr>
<td>Fiji Forest Industries (FFI)</td>
<td>Established in 1964 as J/V between Westralian (60%), one of the largest Australian timber companies and CBM Holdings Ltd. (40%), had monopoly concession in Vanua Levu.</td>
</tr>
<tr>
<td>FFI-Kabuna Ltd.</td>
<td>J/V between FFI and Kabuna Province Fijian interests (around Tailevu/Spight’s area). This J/V expressly aimed to monopolise timber industry operations in Fiji.</td>
</tr>
<tr>
<td>Viti Timber Milling Co.</td>
<td>Originally J/V between indigenous Fijians and local Euro-Fijians. Situated in Serua province but later sold to FFI-Kabuna for $600,000.</td>
</tr>
<tr>
<td>Colo-North Logging Co.</td>
<td>Established 1967 at Savatu in Nadarivatu, wholly-owned by Fijians. Supplier to ETI but by 1984 ran into financial difficulties.</td>
</tr>
<tr>
<td>Rob &amp; Brown Fiji Ltd.</td>
<td>2nd largest sawmill in Vanua Levu, but later sold to FFI.</td>
</tr>
<tr>
<td>Rambissesar &amp; Sons and Ahmed &amp; Co. Ltd.</td>
<td>Two small Indo-Fijian operators but they were not major players in the industry.</td>
</tr>
<tr>
<td>Future Forest (Fiji) Ltd.</td>
<td>An Australian private company, owned by Paul Evers, it owns a newly-developed teak forest plantation in Viti Levu.</td>
</tr>
</tbody>
</table>

Sources: compiled from Durutalo 1984, pp. 181–231 & various media sources.
Appendix E

List of TNCs or Foreign Corporations Currently in Operating in Fiji

1. Oil, Gas and Energy
   Euro./US/UK: Mobil, BP, Total (Shell operations acquired by Total in 2007).
   Aust./NZ/UK: Fiji Gas Co. Ltd., BOC Gases (UK).

2. Motor Vehicles, Transport and Heavy Equipment Agencies
   Australian: Ford, Holden.
   Korean: Hyundai, Kia, Ssangyong.
   European: Mercedes Benz, Volvo, BMW, Range Rover, Land Rover.
   Other/Industrial: Caterpillar, Komatsu.

3. Banking and Finance
   Australian: Westpac, ANZ, Colonial Bank (part of CBA bought 51% of
               NBF in 1998 and acquired the balance (49%) from the government in 2006).
   Indian/Asian: Bank of Baroda, Habib Bank (Pakistan), sold to Bank of South Pacific based in PNG.
   Non-Bank: Carpenters Finance, Credit Corporation (Fiji) Ltd., Dominion Finance, Fiji Investment
             Development Corporation Ltd., Merchant Finance, Finance Pacific Corporation Ltd.,
             Home Finance Co. Ltd., Merchant Finance & Investment Co. Ltd. (80% owned by
             FHL), Venture Capital Partners Fiji Ltd., Kontiki Capital Ltd. and Kontiki Fund Ltd.
             (excluding government bodies - Housing Authority, FDB, FNPF).

4. Insurers
   Australian: QBE Insurance (Fiji) Ltd., FAI Insurance (Fiji) Ltd., Colonial Fiji Life Ltd., (previously
                also National Mutual Life Insurance, United Insurance Co., Guardian Royal Exchange),
                Colonial Health Care (Fiji) Ltd., Fiji Care Insurance Co. Ltd.
   New Zealand: Tower Insurance (Fiji) Ltd.
   Indian: Life Insurance Corporation of India and New India Assurance Co. Ltd.
   Local: Sun Insurance Co. Ltd., Dominion Insurance Co. Ltd.

5. Insurance Brokers
   Australian: AON Risk Services
   New Zealand: Marsh Ltd., Connolly Insurance (Fiji) Ltd.
   Local: Unity Insurance Brokers (Fiji) Ltd., Insurance Holdings (Fiji) Ltd.

6. Financial Services and Chartered Accountants
   Australian: PricewaterhouseCoopers, KPMG, Deloitte Touche Tomatsu, Ernst & Young, Howards,
               BDO Parkhill. Mega-mergers turned the first four into global giants with offices in the
               remotest corners of the globe.

7. Two Largest Trading Houses

   Australian: W.R. Carpenter Group
   After over 130 years, the Carpenter family relinquished its interest in W.R. Carpenter Group in 1983 and
   sold its business to Carpenter Holdings International (CHI). In 1994, CHI then sold its interest to a
   Malaysian giant, MBf Holdings Berhad, which acquired all of the diversified Pacific operations of W. R.
   Carpenters (South Pacific) Ltd., renaming it MBf Carpenters (Aust) Ltd. (still listed on Australian Stock
   Exchange) and retained intact its Fijian subsidiary, Carpenters (Fiji) Ltd., which has its own set of
   subsidiaries:

   Prior to 1987 they were Morris Hedstrom Ltd. (and its subsidiaries Bure Advertising Ltd., Dominion
   Rentals Ltd. & Fiji Pastoral Co. Ltd.), Carpenters Steel Co. Ltd. (Casco), Carpenters Tractor and
   Equipment Ltd., Island Transport Ltd., Kanacea Ltd., Millers Ltd., Pacific Commodities Ltd., Paramic
   Ltd., Woolworths Ltd., and Taubmans Paints (Fiji) Ltd. (an associated company). Many of these have
   disappeared through re-structuring but prior to the 1987 coup the company had only six divisions,
   including one called Carpenters Agriculture, which operated the two largest copra estates at Delaiveni
   and Vunilagi; and its Kanacea Island Industries, operated the largest copra mill at Suva. Currently, the
   group derives A$400 million from its Fijian operations and employs over 2200 people.
The group is currently broken into 8 operating divisions:

- **Morris Hedstrom & Courts** – wholesale, retailing, supermarket and a network of 17 petrol stations in all major townships in Fiji. Its stores are one-stop shops which sell groceries, liquor, tobacco, garments, furnishing, appliances, homeware, Hi-Fi, pharmaceuticals, toiletries, bakeries, fruits and vegetables, meat, and seafood.
- **Carpenters Shipping** – the largest shipping company in Fiji for services, customs clearance, waste disposal, and operator of a large fleet of trucks, container trailers, forklifts. Shipping agents for Hapag-Lloyd China Navigation Co. Ltd., Greater Bali Hai Services Kyowa Shipping, Bank Line, Mitsue OSK Line, N.Y.K. Lines, Barwil Agencies Oceania, Inui Steamship, Mobil Oil and Shell Tankers, Royal Viking Lines, Cunard Line, Unicom Cyprus, Costa Croisiere, Greenship Shipping and Harper’s Shipping. It also represents fishing vessels Marine Chartering, Partners Shipping, Toei Reefer Lines, Maruman INC Zangyoren and Solander Fishing, as well as being international agents for FedEx, cargo agents for Korean Airlines, IATA and Pacific Networks and Excess Baggage. It also acts as Lloyd’s agent in Fiji, covering over 100 insurance companies.
- **Carpenters Motors** – biggest importer and distributor of Japanese vehicles. Motor Dealers, servicing, spare parts, tyres, and Caterpillar parts. Franchisee for Nissan, Honda, Hyundai, Isuzu and industry market leader for used and new vehicle sales. Carptrac has agencies for heavy equipment and machineries.
- **Carpenters Industrial & Marine Engineering** – a wholly-owned subsidiary, Industrial and Marine Engineering Ltd., offers ship-building, marine engineering, servicing of ships, boilers, air conditioning and refrigeration, electrical installations and testing services.
- **Carpenters Hardware** – major supplier of building and industrial materials, including electrical and lighting products. Agents or stockists for Taubmans, Dulux, Clipsal, Makita and many leading brands.
- **Carpenters Finance** – in-house financier for retail, motor vehicles and property, offering hire purchase, bill of sale, and card service facilities, as well as monitoring of credit control.
- **Carpenters Technology** – provision of IT services through Daltron Computers, acquired in 2005.
- **Carpenters Properties** – owns properties housing Morris Hedstrom City Centre or other stores through wholly-owned subsidiaries Properties Trust (Fiji) Ltd. and Carpenters Properties Ltd.

**Australian: Burns Philp (South Sea) Co. Limited and its subsidiaries:**

Prior to the 1987 coup it had a number of subsidiaries in Fiji:

- **Aircool Engineering Ltd.** – air-conditioning and refrigeration services
- **Corrie & Co. Ltd.** – office machinery, distributors
- **Office Equipment Ltd.** – office machinery, distributors
- **Wrought Iron & Steel Construction Ltd. (Wisco)** – steel fabricators, furniture, glass and mirrors manufacturers
- **Casp Fiji Ltd.** – owned properties and Casp Fiji Ltd. had two subsidiaries: Casp (Disposables) Ltd (paper products) and Cope Allman Yoshmo Ltd. (plastic products).
- **Burns Philip Trustee Co. Ltd.** – real estate development
- **The parent company also engaged as shipping agents for Nedlloyd Group NV (Amsterdam), Bali Hai Service (Japan/Pacific), the Bank Line (Fiji/Europe) and Blue Star Line (Fiji/NZ), retailing and supermarkets in all major townships, and shipping services throughout Fiji.**
- **Asco Motors division entered into a joint venture with Toyota Tsusho Corporation in 1990 and by 1998 the latter bought out BP’s 50% share in the joint venture. It remains a market leader for Toyota, Massey-Ferguson, Bridgestone, and other brands. It also operates the Avis franchise.**

The Burns Philp group is now 98% owned by Rank Group; it divested some of its operations after the coups and has consolidated its food and beverages operations, which were boosted by the hostile takeover of Goodman Fielder (mostly consumer brands and commercial food products) in Australasia and Pacific in March 2003. In July 2006, it sold its Uncle Toby’s assets to Nestle for A$890 million, but retained Bluebird Foods which it intends to sell to another buyer. Its main business segments are: baking with key brands like Helga’s, Mighty Sof, Wonder White, Molenburg, Quality Bakers, Vogel’s, Irivines, Buttercup, Country Bake, Country Split, Crumb Craft, Family Choice, Riga, Sunicrust, Campion and Edmonds; snacks with the Bluebird brand in New Zealand; and spreads & oils with major brands like Meadowlea, Praise, Cornwells, Paul Newman’s Own, Olivanti, Gold’n Canola, Top Cook, Rizzoli, AMCO, Diamond, Holbrooks, Pampas and ETA. It also runs poultry operations in Fiji. Goodman Fielder’s turnover is A$2.4 billion in Australasia and the Pacific region and it employs over 5000 people. It maintains its headquarters at Macquarie Park, Sydney.
8. Hotels
Almost all major hotels managed or owned by foreign hotel chains: Mercure, Holiday Inn (formerly Travelodge), Raffles, Tradewinds, Gateway, Naviti Resort, Treasure Island Resort, Anchorage Beach Resort, Outrigger on the Lagoon, Radisson, Intercontinental, Shangri-La, Sheraton, Sofitel, Sonaisali Island Resort, Warwick Fiji, and Westin, with the exception of a few smaller locally-owned hotels, such as Tanoa Hotels, Peninsula Hotel, Hotel Takia, Tropic Towers and smaller holiday apartments or backpackers controlled by Indo-Fijian or indigenous Fijian interests.

9. Shipping Lines
Carpenters Shipping, Pacific Forum Lines (various PICs have equity in it), William & Gosling Ltd, Western Shipping (Fiji) Ltd., Famous Pacific Shipping NZ Ltd., Pacific Direct Line, Pacific Agencies, Neptune Shipping Agency (Fiji) Ltd., Marine Pacific Ltd., South Seas Cruises, and P&O Lines.

10. Airlines
Qantas, Air New Zealand, Air Pacific (51.78% Fiji government, 46.32% Qantas & 1.90% Air New Zealand), Virgin Pacific, Pacific Jetstar, Fiji Air.

11. Transport & Freight

12. Security
ADT, Dick Smith Electronics, Communications Pacific Ltd. (Compac), Wormald, and Chubb.

13. Media
Fiji TV, FBC Radio, News Ltd. (Fiji Times), new Fiji Sun locally owned, unlike the New Zealand-owned defunct Fiji Sun. Also the Yaqara Group Ltd. (Australian) controls 2200 hectare Yaqara Studio City Tax Free Zone Development.

14. Fishing
Pafco majority-owned and managed by Japanese multinational interests, restored to state-ownership in 1987 after the coup. Currently, it is 98% government-owned with 2% held by indigenous Fijians. Also, Solander Pacific Ltd. (NZ), Tosa Bussan (Fiji) Ltd., state-owned Chinese company, and Fiji Fish dominate the pole-and-line fishing.

15. Real Estate Developers & Construction Companies

16. Real Estate Agents and Developers
Australian: L.J. Hooker, Ray White, Raine & Horne, Professional.
New Zealand: Bayleys, Harcourts.

17. Pharmaceuticals:
Nestle Pacific, Bayer, Unilever-Colgate, Johnson & Johnson.

18. Chemicals and Paints:
British Paints, Dulux, Taubmans, Agchem, A.C.I. Harvey (SP) Ltd, Bluescope Lysaght (Fiji) Ltd., Clyde Engineering (Pac) Ltd., Rolls Aluminium (Fiji) Ltd.

19. Agri/Fisheries business:
Goodman Fielder, Monsanto, Balthan Group, Walt Smith International, PAFCO, Nestle, Solander Pacific (NZ owned).

20. Food & Beverage:
McDonalds, Coca Cola Amatil, Schweppes, Kentucky Fried, Pizza Hut, Goodman Fielder Ltd. (now part of Burns Philp), Nestle, Fiji Water Ltd. (US owned).

21. Tobacco Companies:
British American, Philip Morris.

22. Marketing:
M & C Saatchi (40% local and 60% British-owned).
23. Telecommunications:
UK: Vodaphone (51% Fiji Telecom), Cable and Wireless (100%), Fiji International Telecommunications (51% Fiji government), and Digicel Group launched in 2001 (Caribbean and Central American).

24. Construction:
Fletcher Construction (NZ), Bluescope Lysaght (Fiji) Ltd. (Australian), American Builders Ltd., China Huashi Enterprises (Fiji) Ltd., Downer Construction (Fiji) Ltd., J.S. Hill & Associates, Tristyle International Ltd. (NZ).

25. Mining:
All major mining operations are foreign owned and controlled.

- Emperor Mines Ltd. (Australian company which was part of WMC Resources Ltd., but now part of BHP Billiton, the world’s largest mining company) owned Emperor Gold Mines Ltd. at Vatukoula, but sold out to Westech Gold Pty. Ltd. on 28 March 2007, which in turn was acquired by River Diamonds PLC, currently engaged in rehabilitating the mine.

- Burdekin Pacific Ltd., an Australian company based in Perth, owns and operates second gold mine based at Mt. Kasi.

- Placer Pacific Ltd., a Canadian company, owns the third Namosi mine – it has concession over twenty-five years, and attracted exploration and development activities due to its large deposits of low-grade copper. Placer Pacific Ltd. is 75% controlled by its Canadian parent company, Placer Dome, which also operates Porgera and Missima mines in PNG in addition to various mines in Australia and the Philippines.

Sources: compiled from annual reports; Fiji Yellow Pages 2007; Utrecht 1984; media reports.
Appendix F

Membership of the Pacific Island Forum and Associated Memberships
(the PIF Secretariat is headquartered in Suva)

<table>
<thead>
<tr>
<th>16 member states</th>
<th>FIC</th>
<th>LDCs</th>
<th>Small Island States</th>
<th>PICTA</th>
<th>PACER</th>
<th>WTO</th>
<th>APEC</th>
<th>ACP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cook Islands</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
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<tr>
<td>Federated States of Micronesia (FSM)</td>
<td>x</td>
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<tr>
<td>Fiji Islands</td>
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<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kiribati</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nauru</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>New Zealand</td>
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<td>x</td>
<td>x</td>
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<td></td>
<td></td>
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<tr>
<td>Niue</td>
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<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Papua New Guinea</td>
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<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Republic of the Marshall Islands</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Republic of Palau</td>
<td>x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Samoa</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>a</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tonga</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>a</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuvalu</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vanuatu</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Associate member states**

| New Caledonia | x |
| French Polynesia | x |

**Observers**

| Tokelau | x |
| Timor-Leste | x |

**Dialogue partners**

| India, US, UK, EU, China, Canada, France, Japan, Malaysia, Indonesia, Philippines, Thailand, South Korea | x |

**Legend:**

a process of accession
x current membership

**Notes:**

1. PIF excludes all eight island dependencies: US (American Samoa & Guam), France (French Polynesia, New Caledonia & Wallis & Futuna), NZ (Tokelau), Chile (Rapa Nui) and UK (Pitcairn Island).
2. All PIF countries do not have membership of PICTA and PACER or WTO and APEC.
3. ACP comprises all PIF countries plus Timor-Leste but excludes Australia and NZ.
4. The South Pacific Forum (SPF) was formed in 1971 and changed its name to the Pacific Island Forum (PIF) in 2000.

Sources: adapted from Kelsey 2004; PIF website; various media reports.
Appendix G

Membership of ACP Countries and their Classification into Six EPA Zones
(the ACP Secretariat is headquartered in Brussels)

Eastern and Southern Africa (ESA)
Burundi, Comoros, Congo (Democratic Republic of), Djibouti, Eritrea, Ethiopia, Kenya, Malawi, Mauritius, Madagascar, Rwanda, Seychelles, Sudan, Uganda, Zambia, Zimbabwe

West Africa (ECOWAS)
Benin, Burkina Faso, Cape Verde, Gambia, Ghana, Guinea, Guinea-Bissau, Côte d’Ivoire, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo

Central Africa (CEMAC)
Cameroon, Central African Republic, Chad, Congo (Republic of), Equatorial Guinea, Gabon, São Tome and Principe

Southern African Development Community (SADC)
Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland, Tanzania

Caribbean Community (CARICOM)
Antigua and Barbuda, the Bahamas, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Dominican Republic

Pacific Islands

Notes:
1. African countries exclude South Africa but include Mauritius and Seychelles.
2. Caribbean countries exclude Cuba.
3. Pacific Island countries (PICs) include Timor-Leste but exclude two regional powers, Australia and New Zealand, as well as all eight island dependencies of France (French Polynesia, New Caledonia, Wallis & Futuna), US (American Samoa & Guam), NZ (Tokelau), Chile (Rapa Nui) and UK (Pitcairn Island).

Source: compiled from various media reports.
## Appendix H

### Fiji's State-owned Enterprises (SOE)

<table>
<thead>
<tr>
<th>Category/Enterprise</th>
<th>Shareholding (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government Commercial Companies</strong></td>
<td></td>
</tr>
<tr>
<td>1. Airports Fiji Limited</td>
<td>100</td>
</tr>
<tr>
<td>2. Fiji Broadcasting Limited</td>
<td>100</td>
</tr>
<tr>
<td>3. Fiji Hardwood Corporation Limited</td>
<td>100</td>
</tr>
<tr>
<td>4. Ports Terminal Limited</td>
<td>100</td>
</tr>
<tr>
<td>5. Rewa Rice Limited</td>
<td>100</td>
</tr>
<tr>
<td>6. Unit Trust of Fiji</td>
<td>100</td>
</tr>
<tr>
<td>7. Viti Corp Limited</td>
<td>100</td>
</tr>
<tr>
<td>8. Yaqara Pastoral Company Limited</td>
<td>100</td>
</tr>
<tr>
<td>9. Post Fiji Limited</td>
<td>100</td>
</tr>
<tr>
<td>10. National Trading Corporation Limited</td>
<td>100</td>
</tr>
<tr>
<td>11. Fiji Shipbuilding Corporation Limited</td>
<td>100</td>
</tr>
<tr>
<td><strong>Commercial Statutory Authorities</strong></td>
<td></td>
</tr>
<tr>
<td>1. Civil Aviation Authority of Fiji</td>
<td>100</td>
</tr>
<tr>
<td>2. Fiji Electricity Authority</td>
<td>100</td>
</tr>
<tr>
<td>3. Housing Authority</td>
<td>100</td>
</tr>
<tr>
<td>4. Maritime and Ports Authority of the Fiji</td>
<td>100</td>
</tr>
<tr>
<td>5. Public Rental Board</td>
<td>100</td>
</tr>
<tr>
<td>6. Fiji National Training Council</td>
<td>100</td>
</tr>
<tr>
<td><strong>Majority-Owned Government Companies</strong></td>
<td></td>
</tr>
<tr>
<td>1. Air Pacific Limited</td>
<td>51</td>
</tr>
<tr>
<td>2. Fiji Pine Limited</td>
<td>99.9</td>
</tr>
<tr>
<td>3. Fiji Sugar Corporation Limited</td>
<td>68</td>
</tr>
<tr>
<td>4. Fiji International Telecommunication Limited</td>
<td>51</td>
</tr>
<tr>
<td>5. Pacific Fishing Company Limited</td>
<td>98</td>
</tr>
<tr>
<td><strong>Minority-Owned Companies</strong></td>
<td></td>
</tr>
<tr>
<td>1. Air Fiji Limited</td>
<td>11.5</td>
</tr>
<tr>
<td>2. Colonial National Bank</td>
<td>49</td>
</tr>
<tr>
<td>3. Amalgamated Telecom Holdings Limited</td>
<td>49</td>
</tr>
<tr>
<td>4. Fiji Reinsurance Company Limited</td>
<td>20</td>
</tr>
<tr>
<td>5. Pacific Forum Line Limited</td>
<td>23</td>
</tr>
<tr>
<td>6. Shipbuilding Fiji Limited (being wound up)</td>
<td>49</td>
</tr>
<tr>
<td>7. Daily Post Newspaper</td>
<td>44</td>
</tr>
</tbody>
</table>

Source: adapted from February 2006 Report for the Asian Development Bank (ADB) by the Enterprise Research Institute (ERI), Washington, DC, compiled by Dr. Paul Holden and Sarah Holden.
### Appendix I

**Chronological Listing of Political Turmoil in the South Pacific since 1980**

<table>
<thead>
<tr>
<th>Country &amp; Date</th>
<th>Event</th>
<th>Internal Response to crisis</th>
<th>Response from Regional Powers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Vanuatu - May 1980 (few months before the birth of nation)</td>
<td>Father Walter Lini sought help from SPF to quell Francophile secessionist movement on Espiritu Santo island, financed by US Phoenix Corporation and French settlers. Its head Jimmy Stevens declared Vemerana Provisional Government.</td>
<td>SPF felt Britain and France in charge. Their forces used to quell rebellion, with PNG help. Tensions generated by unrest remained and it was to affect local politics in years to come. No help from US to restore democracy on the eve of country’s independence.</td>
<td>Only Julius Chan, PNG’s PM, offered military support. Kumai Force, light infantry contingent of 300, assembled with aircraft and patrol boats donated by Australia plus 65 police. SPF and Fiji offered no help, yet Fiji responded in Lebanon, Saini and elsewhere.</td>
</tr>
<tr>
<td>5. PNG - November 1988</td>
<td>In eastern province of Bougainville, militants close Panguna copper mine as landowners angry over compensation payout.</td>
<td>Bougainvilleans angered as PNG deploy riot police &amp; army units, their brutal tactics lead to increased secessionist activities.</td>
<td>Australia denounces crisis and declares it was an internal matter for PNG government.</td>
</tr>
</tbody>
</table>
## Appendix I

### Chronological Listing of Political Turmoil in the South Pacific since 1980

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. Solomons - April 2006</td>
<td>Major civil unrest in Honiara following election of Snyder Rini as PM, allegedly corrupt.</td>
<td>Ramsi operations continue and it enters a consolidation phase. Sogavare returned as PM.</td>
</tr>
<tr>
<td>15. Tonga - November 2006</td>
<td>Pro-democracy groups revolt against monarchy; 7 killed and 80% of CBD is destroyed.</td>
<td>Chinese flee the kingdom. A contingent of ‘softy, softly task force’ arrives to normalise security situation. Australia and NZ troops sent to prevent anomaly and restore order.</td>
</tr>
<tr>
<td>16. Fiji - 5 December 2006</td>
<td>Commodore Bainimarama executes <strong>4th coup</strong> by a simple takeover of the Qarase government.</td>
<td>Australia, NZ, SPF, Commonwealth, US, EU express regrets but rule out military intervention. Downer calls for civil disobedience. Soft sanctions imposed, travel bans instituted and continuing diplomatic pressure applied to restore democracy. RFMF refuses to accede to demands.</td>
</tr>
<tr>
<td>17. East Timor - February 2008</td>
<td>Rebellion led by Alfredo Reinado, results in shooting of President Jose Ramos-Horta (injured) &amp; other attacks. PM Xanana Gusmao unhurt.</td>
<td>Australian-led UN force arrives. They take charge of the situation since mid-2006. Australia agreed to send additional 150 troops to East Timor.</td>
</tr>
</tbody>
</table>

Sources: Reilly 2001; Bellamy & Anderson 2002; Breen 2008; Fraenkel 2003; various media reports.
Appendix J

Decolonisation and Current Status of Pacific Islands

<table>
<thead>
<tr>
<th>Country</th>
<th>Population Estimates</th>
<th>Colonial Power</th>
<th>Year of Independence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independent Status:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Western Samoa</td>
<td>180,000</td>
<td>NZ</td>
<td>1962</td>
</tr>
<tr>
<td>2. Nauru</td>
<td>13,000</td>
<td>UK</td>
<td>1968</td>
</tr>
<tr>
<td>3. Fiji</td>
<td>828,000</td>
<td>UK</td>
<td>1970</td>
</tr>
<tr>
<td>4. PNG</td>
<td>5,800,000</td>
<td>Australia</td>
<td>1975</td>
</tr>
<tr>
<td>5. Tuvalu (*)</td>
<td>11,000</td>
<td>UK</td>
<td>1978</td>
</tr>
<tr>
<td>6. Solomon Islands</td>
<td>500,000</td>
<td>UK</td>
<td>1978</td>
</tr>
<tr>
<td>7. Kiribati (**)</td>
<td>90,000</td>
<td>UK</td>
<td>1979</td>
</tr>
<tr>
<td>8. Vanuatu</td>
<td>215,000</td>
<td>UK &amp; France</td>
<td>1980</td>
</tr>
<tr>
<td><strong>Self-Governing Status:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Cook Islands</td>
<td>20,000</td>
<td>NZ</td>
<td>1965</td>
</tr>
<tr>
<td>10. Niue</td>
<td>2,000</td>
<td>NZ</td>
<td>1974</td>
</tr>
<tr>
<td>11. Marshall Islands</td>
<td>54,000</td>
<td>USA</td>
<td>1986</td>
</tr>
<tr>
<td>12. Federated States of Micronesia (FSM)</td>
<td>112,000</td>
<td>USA</td>
<td>1986</td>
</tr>
<tr>
<td>13. Palau</td>
<td>20,000</td>
<td>USA</td>
<td>1994</td>
</tr>
<tr>
<td><strong>Exception:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Tonga</td>
<td>110,000</td>
<td>Kingdom – not colonised</td>
<td>A protectorate of UK up until 1970</td>
</tr>
<tr>
<td><strong>Current Dependencies:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. American Samoa</td>
<td>..</td>
<td>USA</td>
<td>n/a</td>
</tr>
<tr>
<td>16. Guam</td>
<td>..</td>
<td>USA</td>
<td>n/a</td>
</tr>
<tr>
<td>17. French Polynesia</td>
<td>..</td>
<td>France</td>
<td>n/a</td>
</tr>
<tr>
<td>18. New Caledonia</td>
<td>..</td>
<td>France</td>
<td>n/a</td>
</tr>
<tr>
<td>19. Wallis and Futuna</td>
<td>..</td>
<td>France</td>
<td>n/a</td>
</tr>
<tr>
<td>20. Tokelau</td>
<td>..</td>
<td>NZ</td>
<td>n/a</td>
</tr>
<tr>
<td>21. Rapa Nui</td>
<td>..</td>
<td>Chile</td>
<td>n/a</td>
</tr>
<tr>
<td>22. Pitcairn Island</td>
<td>..</td>
<td>UK</td>
<td>n/a</td>
</tr>
</tbody>
</table>

**Legend:**
- .. = not available
- n/a = not applicable

**Note:**
The Gilbert and Ellice Islands was a British protectorate from 1892, becoming a colony in 1916. On 1 January 1976, the islands became two separate colonies. Since 1979, the Gilbert Islands (**) constitute the major part of the nation of Kiribati, and the Ellice Islands (*) was renamed Tuvalu in 1978.

Source: compiled from various media reports.
Appendix K

Blueprint For The Protection Of [indigenous] Fijian & Rotuman Rights And Interests, And The Advancement Of Their Development

Presentation to the Great Council of Chiefs by the Interim Prime Minister, Mr Laisenia Qarase, on 13 July 2000

Introduction

The proposals set out below cover issues which have been of great concern to Fijians and Rotumans regarding the security of their rights and interests as the indigenous communities in Fiji, and also the advancement and acceleration of their development, so that they can participate on an equitable basis in the progress of our country.

The purpose of the Blueprint is to bring together all the proposals to address these concerns. It will be noted that follow-up action to be taken comprises the enactment of necessary legislation, the issuance of appropriate Government directives and the provision of budgetary allocations. The Blueprint will, of course, require preparation in detail with full background and supporting information. It will also be necessary for individual Government Ministries to submit papers to Cabinet on specific measures to be taken. Much of the measures proposed in the Blueprint can be implemented in the next two years. However, it is also proposed that a TEN-YEAR plan for Fijian and Rotuman development be prepared.

This will incorporate the measures set out in the attached summary Blueprint together with the development proposals in other areas. Education, for example, is a very important area where we need to pay greater attention in order to improve the performance of Fijian and Rotuman children. A good and successful education is the most effective pathway to a successful future for each individual. The ten-year plan can also set out the broad vision for all indigenous Fijian and Rotuman and for our country as a whole. The plan can thus play an important role in our current endeavour to bring greater unity to Fijians and Rotumans.

For it is in our unity that we can best protect our future. The specific proposals summarised below, together with others, will be part of this ten year plan. It is proposed that a meeting representative of all Fijian and Rotuman interests is to be convened by Government early in the year 2001 to discuss and to map out what should be in this ten year plan. This is to ensure that it is a plan for Fijians by Fijians for their future.

Background

Indigenous Fijians and Rotumans make up more than 51% of the total population of the Fiji Islands, and their numbers, according to the 1996 Census, are continuing to grow at 1.8% per annum compared to the national population growth rate of 0.8%. They also comprise the majority landowning communities in Fiji, with customary proprietary rights to more than 83% of all land in the country, together with associated traditional fishing rights, or qoliqoli. Given the above, anything that affects them must affect the nation. Ensuring the paramountcy of their interests and their equitable participation in all aspects of life in Fiji is thus a pre-condition for the achievement of long term peace, stability and sustainable development in the country. What is needed is an enabling environment to facilitate the achievement of these objectives. This is what this Blueprint seeks to provide. It is to enable indigenous Fijians and Rotumans to fully exercise their rights of self-determination within the unitary State of the Republic of the Fiji Islands. It is to safeguard the paramountcy of their interests in our multi-ethnic and multi-cultural society. And it is to improve and enhance opportunities, amenities and services for Fijians and Rotumans in their development and participation.

A. Legislative Action (by Decree)
1. New Constitution - Preparation of a new Constitution to be promulgated on 24 July, 2001 (Constitution Day) to give effect to the collective desire of Fijians that the national leadership positions of Head of State and Head of Government should always be held by them. The new Constitution is also to address other issues of importance to Fijians and Rotumans in line with the Terms of Reference, as approved by the Great Council of Chiefs. The point is stressed that it will be a new Constitution.

2. Schedule A & B Lands - The transfer of administration of State Schedule A and B lands by Government to the Native Land Trust Board, as requested by the GCC and the NLTB.

3. Agricultural Leases on Native Land Moved to NLTA - The removal of native land from the ambit of ALTA and placing it under the NLTA, as requested by the GCC and the NLTB. (Appropriate amendments to be considered for NLTA to protect the interests of tenants. First step is further discussions with NLTB.)

4. Ownership Rights to Customary Qoliqoli - The conferment of ownership rights, similar to customary ownership of land, on all traditional qoliqoli, as requested by the GCC and the NLTB. (This will take some time as survey and demarcation of boundaries by the Native Lands and Fisheries Commission need to be completed. Appropriate safeguards will be included in the legislation on the right of public access and the protection of the interests of investors.)

5. Lands Claims Tribunal to Settle Land Claims - The establishment of a Land Claims Tribunal to deal with land compensation claims for land acquired for public purposes, e.g. Monasavu, Suva (Domain), etc. This is the best way to deal with long-standing historical land claims, away from the political arena, and in a tribunal which will comprise eminent people well qualified to consider these claims on their merit. (The legislation is also to establish a special fund to give effect to settlements decided by the Tribunal.)


7. Fijian and Rotuman Development Trust Fund - The establishment of a Fijian (including Rotumans) Development Trust Fund (similar to the Banaban Trust Fund and the Tuvalu Trust Fund). This is a capital endowment to be invested to earn interest income to support Fijian (and Rotuman) development. Specifically, it is to be used for the following purposes:

(i) to fund the Fijian Foundation - to undertake and sponsor programmes, including research, etc. on Fijian language, culture, and ethno-geography and ethno-history studies, etc. (this is to accompany the introduction of these as a compulsory subject in all schools);

(ii) leadership and other training programmes at Nadave; and

(iii) any other purposes approved by the GCC (including the financing of its own operation, so that it is financially independent of the elected political government of the day).

8. Compulsory National Savings Scheme - The establishment of a national savings scheme for Fijians and Rotumans. A paper on this is to be presented to the GCC for its approval. The Fund is to finance increased Fijian and Rotuman equity and other forms of participation in business, and also investment in education. The concept has been discussed before and agreed to in principle in both the FAB and GCC.

9. Law on Affirmative Action - Enabling legislation on affirmative action for Fijians and Rotumans to accompany the relevant provisions of the new Constitution.

10. Royalty for Underground Water - Review the law on mining, so that there is also royalty payment for commercial use of artesian or underground water. This is also to ensure that landowners receive a fair share of the royalties, as in the regime for mining of minerals. Other interests of landowners, i.e. environmental protection, to be also taken into account in the review.

11. Tax Exemption for Fijian Companies - Enabling legislation, i.e. amendment to the Company Tax Act, for exemption of Fijian-owned companies from company tax for a specified period. This is to assist with cash flow in the formative stage of Fijian company operations. This scheme would be consistent with the grant by Government of tax concessions to companies (e.g. 13 year company tax holiday) in the tourism, mining and garment industry.
sectors in order to stimulate increased investment and employment creation. Fijian-owned companies or joint venture companies with Fijian controlling interest have not really benefited from the grant of these concessions.

12. Review of Legislation to Improve Service - A review needs to be undertaken of both the Native Land Trust Act and the Native Lands Act to ensure that their provisions are conducive to the effective delivery of services to Fijians and others by the NLTB and the Native Lands and Fisheries Commission.

B. Policy Direction (by Cabinet together with Budget provision, where needed)

1. Fijian Administration - Revamping the Fijian Administration under the Fijian Affairs Act, so that in its operation, it is fully autonomous of the Central Government. This will include a review of the legislative framework for the Great Council of Chiefs, reflecting its enhanced constitutional and other responsibilities.

2. Government to Fund Fijian Administration - Government subvention to fund the entire operation of the Fijian Administration (i.e. the GCC, FAB and Provincial Councils). Meanwhile, there is to be no cuts in Budget allocations to the Ministry of Fijian Affairs in the Mini-Budget from August to December, 2000. It will be up to each Province to decide whether to continue or discontinue the collection of provincial levy or rates. However, since the full running costs of the Fijian Administration are to be covered by the Government grant, fundraising by the Provinces either by way of a provincial levy or by other means is to enable the Provinces to apply more funds to community development projects, the improvement of schools and education, and increased investment in business ventures through their provincial-owned companies.

3. Government to Restart Financial Assistance to NLTB - Government annual grant support to the NLTB to assist it -

   * in further reducing its poundage levy on lease rent, thus increasing net rent income to the landowners;
   * in its development activities to assist landowners in the commercial development of their land; and
   * in the restitution of rent income foregone during the grace period (12 months) for expiring ALTA leases.

4. Government to Pay Arrears in Rent - Budget provision for $1.5 million to cover the payment to the NLTB of arrears in rent for leases on State Schedule A land. These are arrears in rent since 1994 which Government has not paid to the NLTB.

5. Government to Help Establish the FDTB - Government to provide a grant to endow the proposed Fijian Development Trust Fund (FDTB).

6. Fijian Education Fund - Government to provide a Fijian Education Fund to cover scholarships (currently $4.7 million), supplementary assistance (additional to the Ministry of Education's) to Fijian schools, and research into Fijian education issues.

7. Government Assistance to FHL - Government to convert the $20 million interest-free loans to the Fijians Affairs Board (shares in Fijian Holdings Limited) to a Government grant on the following conditions:

   * transfer $1 million "B" shares held by FAB in Fijian Holdings Limited to each of the 14 Provinces (for their provincial companies).

   * balance of $6 million to remain with FAB (as equity in FHL).

8. Government Assistance to YHL - Government to provide an interest-free loan to FAB for purchase of shares in Yasana Holdings (YHL). YHL to acquire shares in other companies similar to the operation of FHL.

9. Government Shares for Fijians - Reserve 50% of Government shares in companies for Fijians as they become available for sale to the public. This is through competitive bids. Preference is to be given to provincial-owned companies. Joint ventures with majority control by Fijians are also to be allowed as this will have the added benefit of attracting business experience and expertise into the venture, as well as promoting inter-racial and inter-community co-operation.
10. Licences for Fijians - Reserve 50% of major licences for Fijians (e.g. import licences, taxi permits, etc.).

11. Government Contracts for Fijians - Reserve 50% of Government contracts for Fijians (as in 9 above).

12. FDB Loan Scheme - Continuation of the FDB Loan Scheme for Fijians and Rotumans but to exclude other communities who are to be covered by a separate scheme at the FDB.

13. Assistance in Purchase of Shares - Establish a Small Business Equity Scheme at the FDB with annual allocation of $5 million from Government (for all citizens).

14. Small Business Agency - Establish a National Small Business Agency under the umbrella of the Fiji National Training Council to provide training, advisory services, business information, etc. (for all citizens). This will be the central agency, co-ordinating with other schemes that are providing similar assistance.

15. Dealings on Mahogany on Hold - Any dealings on "Mahogany" to await the report of GCC Committee on this industry. The report could also have implications on other industries like the pine industry.

16. Discontinue Land Use Commission - Discontinue the Land Use Commission as proposed by the last Government. Government is to be involved in land development programmes under the Ministry of Agriculture, Fisheries and Forests and the Land Development Authority, as well as land development for the resettlement of evicted tenants, and for low cost housing through the Housing Authority, and the resettlement of squatters. Government is also to assist the commercial development of native land through the NLTB.

17. Assistance with Buy Back of Freehold Land - Re-instate Government Budget provision of $500,000 to assist Fijians through interest-free loans in buying back ancestral land alienated as freehold land. These are freehold land available on sale by their owners.

18. Assistance for Provincial Business Participation - Government to re-instate the annual allocation of $1.5 million to Provincial Councils, via the FAB, for their participation in business. This allocation will henceforth be a grant and not an interest-free loan.

19. Assistance to Landowners Taking up Cane Farming - Establishment assistance to be given (through FDB and FSC) to Fijian landowners, taking up cane farming on their reverted land.

20. Mining Royalties - Percentage of mining royalties to be paid by Government to landowners to be determined by Cabinet, and not by Parliament as provided in the 1997 Constitution.

21. Royalty for Underground Water - The royalty regime for minerals should also apply to artesian or ground water.

22. Renting of Fijian-owned Commercial Office Buildings - Government to resume renting, on a need basis, of commercial office buildings owned by Provinces and Tikina companies.

23. Tax Assistance to Fijian-owned Companies - Tax exemption to be granted to Fijian-owned companies for specified periods similar to existing tax concession schemes for particular sectors.

Note:
This document has been reproduced without altering its contents, except the numbering. All references to Fijians and Indians should be read as indicating indigenous Fijians and Indo-Fijians respectively.

Appendix L

Total and Per Capita Aid Flows to the Pacific Islands since 1970

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>15,592</td>
<td>104</td>
</tr>
<tr>
<td>Fiji</td>
<td>1,576</td>
<td>65</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>1,477</td>
<td>110</td>
</tr>
<tr>
<td>French Polynesia</td>
<td>8,533</td>
<td>1,210</td>
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<td>New Caledonia</td>
<td>8,708</td>
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</tr>
<tr>
<td>Vanuatu</td>
<td>1,285</td>
<td>217</td>
</tr>
<tr>
<td>Samoa</td>
<td>1,086</td>
<td>213</td>
</tr>
<tr>
<td>Tonga</td>
<td>698</td>
<td>233</td>
</tr>
<tr>
<td>Kiribati</td>
<td>593</td>
<td>217</td>
</tr>
<tr>
<td>North Marianas</td>
<td>-2</td>
<td>0</td>
</tr>
<tr>
<td>Marshall Islands</td>
<td>362</td>
<td>232</td>
</tr>
<tr>
<td>Cook Islands</td>
<td>407</td>
<td>646</td>
</tr>
<tr>
<td>Palau</td>
<td>532</td>
<td>933</td>
</tr>
<tr>
<td>Wallis &amp; Futuna</td>
<td>274</td>
<td>457</td>
</tr>
<tr>
<td>FSM</td>
<td>630</td>
<td>178</td>
</tr>
<tr>
<td>Nauru</td>
<td>18</td>
<td>51</td>
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<tr>
<td>Tuvalu</td>
<td>214</td>
<td>647</td>
</tr>
<tr>
<td>Niue</td>
<td>182</td>
<td>3,558</td>
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<td>Tokelau</td>
<td>91</td>
<td>3,026</td>
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<td>Pacific Islands (trust Tr.)</td>
<td>5,193</td>
<td>0</td>
</tr>
<tr>
<td>Oceania Unallocated</td>
<td>1,449</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,258</strong></td>
<td><strong>220</strong></td>
</tr>
</tbody>
</table>

Note added:

Total aid flows to the region are estimated to be almost US$50 billion (in 1998 US dollar terms), which is approximately A$100 billion.