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## NEW CALEDONIA: A PACIFIC PROBLEM

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Now that the United Nations has declared that New Caledonia is a colony rather than a part of metropolitan France, and the 13 September referendum on its future has recorded a large statistical majority for the continuance of French colonial rule (but an inconclusive recording of the real desires of the majority of all New Caledonians), it is appropriate to review the history and the current situation in the territory. The basic problem is that most of the Melanesian minority of the population (43 per cent) wish to be independent, almost all those of French descent or immigrants from France (38 per cent of the population) wish to remain a part of France, while the largest other minority (the Polynesians, largely Wallisians, comprising 12 per cent of the population) tend to be, if anything, even more supportive of French rule. Reconciling the strongly held views of the Kanaks (as the Melanesians refer to themselves) and the large French and mainly Polynesian minority will prove to be ex-

tremely difficult. Neither a referendum nor a referral to the United Nations will ease this tension.

New Caledonia is an archipelago located between latitude 19 degrees to 23 degrees south and longitude 163 degrees to 169 degrees east. It consists of the large island of New Caledonia (La Grande Terre), which is primarily volcanic in origin, the Isle of Pines, the Belep Islands, the Loyalty Islands and the uninhabited Chesterfield Islands which are coral atolls. The main town is Noumea. The mainland is the largest Pacific island outside Papua New Guinea. The total land area is approximately 19,100 km<sup>2</sup> with an ocean area of 1.74 million km<sup>2</sup>. There are fewer than 150,000 residents on these islands. New Caledonia is the world's fourth largest nickel producer, and the nickel operations are almost entirely managed by the French, as is the government administration operating on instructions from France (at present there is approximately one French police or

similar official for every ten Kanaks). The provision of education for Melaneseans has been meagre.

Exports, primarily of nickel, together with tourist receipts and foreign (almost entirely French) aid equivalent to over \$US1250 per capita, ranks New Caledonia, along with French Polynesia, among the world's high income countries, well above the standards of most other Pacific countries. However, this income is most unevenly distributed - the French residents must, on average, be among the highest income recipients in the world (although the high prices in Noumea make international comparisons of real income difficult). Agriculture accounts for only 10 per cent of employment and 5 per cent of total output - unusually low for a developing country other than a city state or small enclave.

### Background

France took formal possession of New Caledonia in 1853 and by the 1870s, three crucial themes in New Caledonia's history were already present: the first nickel rush, Melanesian opposition to land acquisition and the growth of a European population at the expense of the Melanesian population, who became a minority in their own land. The extent of land alienation, the bitterness of the dispossessed and the mutual incomprehension between Melanesians and Europeans eventually provoked a bloody revolt in 1878, the most violent reaction to European colonization in the islands of the Pacific. This history remains crucial to contemporary development.

### From subsistence to subsidy

The nineteenth century economy of New Caledonia was agricultural, with Melanesians growing subsistence root crops and European settlers struggling to produce and market a diversity of crops. World War II ensured rising demand for nickel and chrome, and a mining boom was matched by a commercial boom, high levels of consump-

tion and unprecedented prosperity. The land is the only resource unequivocally owned by Melanesians and attitudes to the retention, expansion, exploitation and alienation of land underlie economic and political development. Economic diversification favoured the establishment of tourism rather than the revitalization of agriculture. Continued and increased financial subsidies, especially for the bureaucracy, transformed New Caledonia into a 'consumer colony', like French possessions elsewhere, widening the gulf between urban prosperity and rural poverty. The movement from production to consumption has resulted in a transfer economy.

The mining industry, from its nineteenth-century antecedents, became in the twentieth century primarily an alliance of French capital and a local elite with, during the nickel boom of the 1970s, a part of its labour force imported. Contraction of mining operations since the mid-1970s has resulted in a reduction of the total mining workforce to around 2000.

Tourism developed rapidly in the 1980s after the end of the nickel boom, drawing the clientele initially from Australia and increasingly from Japan. Until late 1984, tourism was not only New Caledonia's second major industry, after nickel, but was steadily increasing in importance. Recently, tourism has been severely affected by political unrest, and is yet to regain the levels of the start of the decade.

By far the most important elements of New Caledonia's budget are direct contributions and grants from France. In 1984 the total territorial revenue amounted to CFP<sup>1</sup> 21.549 million (A\$185 million) of which 30 per cent was a direct payment from France. Indirect contributions may be even greater than direct contributions, so that France contributes more than half of New Caledonia's financial needs. Budget subsidies have con-

<sup>1</sup> Coloniate Franc Pacifique.

tributed to the massive growth of the externally subsidized public service which has doubled in size since 1970. It employs almost a quarter of the wage labour force and contributes virtually half the wages and salaries in New Caledonia.

Noumea, the most industrialized city in the island Pacific, dominates the economy, as employment has shifted from the primary sector to the tertiary, and wage levels have been effectively subsidized by France. Relative regional and ethnic economic inequalities have worsened in the past decade. Melanesians are incorporated into the periphery of the New Caledonian economy through wages, taxes, pensions and medical assistance and they are largely subject to French laws.

Land issues have dominated politics. In many Melanesian reserves land pressures were emphasized by natural increase and return migration that has limited the potential for cash cropping and cattle ranching and stimulated demands for land reform. Though the speed of restoring land to Melanesians increased in the 1960s and 1970s it was still far short of Melanesian expectations. In the second half of the 1970s, Melanesians mounted direct action to regain land by occupying it. Increased amounts of land were also purchased and returned to Melanesians, but invariably too little and too late to defuse tension and political pressure. Indeed, Melanesians had no more land per capita in 1980 than they had at the start of the century.<sup>2</sup>

After other parts of Melanesia became independent, and a socialist government took power in France in 1981, there was renewed Melanesian hope for independence. However, the murder of Pierre Declercq, the Secretary-General of the main pro-independence party Union Calédonienne (UC),

demonstrated the strength of opposition to Kanak independence and there was no sign that France intended to move towards independence for New Caledonia. Tension and violence mounted and France attempted to devise a new statute for New Caledonia. Kanaks, angry that no electoral reform was proposed (to disenfranchise recent arrivals) enabling them to achieve a majority, and that there was no timetable for independence, came together in a new coalition, the *Front de Libération Nationale Kanake et Socialiste* (FLNKS), to demand independence. As the Kanak position hardened the conservative position also became increasingly extremist, and new right-wing parties, including the *Front National*, allied to Jean-Marie Le Pen's French party, emerged to oppose the FLNKS.

As the French government stepped up its military presence, FLNKS sought to develop a more self-reliant Melanesian society and economy in rural areas, in preparation for regional councils and eventual independence. Kanak people's schools were established and cooperative agriculture was encouraged in a futile bid to destabilize the economy of Noumea. In the elections for the regional councils in September 1985 FLNKS won three of the four regions, but the pro-French party (RPCR) won so strongly in the predominantly European Noumea region that it retained control of the Territorial Congress. FLNKS successes in the other regions prompted right-wing violence and there have subsequently been sporadic bombings.

After April 1986, the new Conservative Prime Minister, Jacques Chirac, effectively reversed the process of change. Although the Regional Councils remained in place, their funds were effectively frozen by the new concentration of power in the hands of the Territorial Congress (controlled by RPCR) and the French High Commissioner. A referendum on independence was to take place within a year, without any apparent change in

<sup>2</sup> Alan Ward, *Land and Politics in New Caledonia*, Monograph No.2, Department of Political and Social Change, ANU, Canberra.

the electoral roll, thus ensuring that Kanak nationalists could not win. Once again, a package of economic measures were proposed that, whilst formally directed at reducing unemployment by encouraging economic growth, would tie New Caledonia yet more firmly to France. Starved of finance, FLNKS effectively lost its limited power, but not support, in the regions, the only places where it had legal and constitutional authority, and was reduced to an ineffective minority in the Territorial Congress. Its minor achievements had largely disappeared.

Though France launched a diplomatic offensive in the United Nations aimed at the sponsoring countries (particularly Australia), the United Nations General Assembly voted in favour of referring New Caledonia to the Committee, effectively classifying New Caledonia as a colony. France predictably rejected the decision, and stated that it would go ahead with its proposals to organize a referendum on independence for mid-1987 and would refuse the admission of UN officials to monitor the referendum, thereby increasing the probability of a Kanak boycott.

The French conservative government moved forward with plans to hold the referendum in September 1987. The sixth annual FLNKS Congress predictably voted to boycott the referendum in order to 'destabilize the strategy of the colonial government' and subsequently embarked on a series of pre-referendum protests leading to strong repression from the

French riot police. In the referendum, indeed boycotted by the FLNKS, 57 per cent of the New Caledonian electorate voted in favour of remaining with France, a predictable result. Nevertheless, despite this vote, the future political situation remains uncertain, though the balance of power within France and New Caledonia has shifted more firmly against independence. Kanaks remain a largely powerless minority. Independence in New Caledonia appears unlikely as France retains a global strategic vision in which its role as a nuclear power has strengthened its hold over French Polynesia. Nonetheless, demand for independence will not be meekly cast aside.

In the unlikely event of New Caledonia becoming independent there would probably be little substantial economic change. The fragility of the economy would enable France to exercise control even with relatively low levels of aid. Melanesian rights to land would be restored and agriculture would probably be more important but tourism and mining would continue, and further and more diverse foreign investment be encouraged. Kanaky would thus be much like the independent Melanesian states to the north where, despite a similarly loosely socialist rhetoric, capitalist development has continued and intensified and foreign investment increased. However, though there are few areas of the world still engaged in active decolonization, history does not appear to be on the side of the Kanaks.