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Resources and conflict in the Asia Pacific region: a symposium

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Internal conflict has become increasingly widespread in the Asia Pacific region, creating an arc of instability around the southern rim of the region, stretching from Indonesia in the west, through East Timor, Papua New Guinea, the Solomon Islands and the other parts of the Pacific, to Fiji in the east. There are significant economic causes and consequences associated with this instability, including effects on resource utilisation and export earnings, and on wider issues of economic development and regional cooperation.

On 6 April 2004 a symposium was held at the State Library of New South Wales to discuss how far economic concerns are implicated in internal strife within the countries of the region, and what sorts of strategies might offer promise for bringing about peaceful resolution of these problems. The meeting was organised by the Australian affiliate of Economists Allied for Arms Reduction (ECAAR), with the cooperation and assistance of the Department of Economics at Macquarie University, the Economic Society of Australia, and the Australian overseas development agency AusAID through its International Seminar Support Scheme. The main financial support for the symposium was provided by the Ford Foundation.

Most conflicts in the Asia Pacific region have been internal, not between states, and indeed this region had the highest number of such conflicts in the world in the 1990s. The region is ethnically diverse, although this diversity is not the only, or even the primary, source of conflict. One particular economic impetus towards conflict is associated with the so-called 'resource curse' thesis. This proposition holds that there is a strong correlation between abundance of natural resources and poor economic growth; low growth in turn is reflected in poverty, which has been shown to be a significant source of conflict. Indeed, even in times where economic growth is rapid, poverty-based conflict can still arise, because distribution of the gains from growth rarely benefits poorer groups. It is true that cultural factors can sometimes provide the origins of conflict, as in the case, for example, of Fiji, Bougainville or parts of Indonesia, but generally these conflicts have an important economic dimension as well—it is often greed rather than grievance that exacerbates the problem, as discussed further in the following pages.

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Peaceful resolution of conflict requires, first and foremost, an understanding of the causes. In almost all cases there is no single cause, but a variety of factors that precipitate the internal strife. A key to long-term resolution of these internal problems is seen in governance, especially in building a strong institutional infrastructure for a stable, secure and fair society. In the Asia Pacific region there are particular problems in following this path that have to be recognised: the importance of land, for example, and the possible tensions between traditional and western systems of authority. In many cases, power relationships within society are an important determinant of outcomes, and it may be necessary to deal with powerful interests that have more to gain by perpetuating rather than preventing conflict. In the end, peace-building strategies have to be holistic, recognising that attitudinal change is a precursor to behavioural change and that multi-layered interventions will be necessary.

One session of the symposium dealt with the role of the media in reporting on conflict and in playing a constructive role in processes of conflict resolution. Discussion in this session focused on the difficulties facing journalists and others in reporting on conflict specifically in the Asia Pacific context. Media personnel have been threatened or intimidated by various parties to some conflicts, and have found their capacity for objective analysis has been compromised. Often, the demands of the international media have dictated that coverage must be oriented towards what makes a good story. Thus reporting has tended to be event-driven and often over-simplified, with simplistic portraits of 'good guys vs. bad guys' as the basis for a story. It was argued at the symposium that local media need to find their own voice, with emphasis on reconciliation and conflict resolution rather than violence as the basis

for their reporting. In this context, the development of specific criteria for 'peace journalism' holds out considerable promise. If such criteria could be more widely applied, the role of the media in peace-building in the region could be greatly strengthened.

In the following pages four papers arising from presentations made at the symposium are published, as a contribution to debate on matters of considerable public importance in the region at the present time. Each paper deals with a different aspect of the economics of internal conflict in the Asia Pacific, expanding on some of the points noted above.

In the first paper, Rowan Callick sets the background, pointing out that resources have been a source of conflict in the region for centuries. He describes the way economic issues—access to resources and disputes over the distribution of rents—have been implicated in conflicts in Papua New Guinea and Solomon Islands and identifies several 'root causes' contributing to civil unrest in the Asia Pacific region today. Callick sees the growing demand for resources to fuel China's rapid growth as a major factor affecting the resources sector in the region in coming years, with a potential to cause continuing unrest unless the various stakeholders, especially governments and private companies, can improve their performance.

Glenn Banks looks particularly at the 'resource-curse' thesis mentioned above, with its corollary of a link between resources and conflict, arguing that although it fits the Melanesian case reasonably well, there are also other significant factors at work. In particular he points to notions of identity and relationships to land as critical concerns; large-scale resource projects cause disruption to traditional social structures and ethnic balances, for example by causing population shifts within and between regions. His paper presents a strong case for

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going beyond simple economic explanations and taking account of social and cultural dimensions when analysing causes and consequences of conflict.

What is the role of the state in the incidence of violent conflict in the region? Graham Hassall's paper argues that problems in the structure and effectiveness of the state have often been associated with conflict, and that these problems have been exacerbated by the rapid social and economic transformations brought about through processes of globalisation. He sees governance as the key issue here, noting that good governance is the means whereby the state can provide an environment conducive to peaceful and sustainable development. Although much responsibility for good governance rests on individual governments, there is also hope for coordinated regional action, for example through the Pacific Islands Forum, to improve performance and responsiveness in conflict resolution and prevention across the region.

The final paper, by Steve Darvill, looks beyond conflict towards processes of peace-building. Like the previous authors, Darvill sees a broad sociological understanding as being necessary to explain violent conflict in the region, and hence peace-building initiatives need to comprehend social and cultural as well as economic factors in formulating development strategies. He focuses particularly on the potential role of the private sector, and points to the need for a reorientation of development policy and development thinking towards more conflict-sensitive development programs.

Taken together, these four papers make a timely contribution to discussion of issues of considerable importance in the contemporary Asia Pacific context. All four authors argue, from their different perspectives, that understanding the dynamics of conflict in the region is an essential prerequisite to formulating conflict resolution strategies. Beyond this they stress the need for a greater awareness of conflict prevention as an element in development policy, both at the national level in the countries of the region, and in the programs of aid agencies, non-government organisations and international organisations.