



June 2000

Solomon Islands

# Why Solomon Islands must save its 'nationhood'

Rence Sore

Chief Planning Officer, Solomon Islands Development Administration  
and Participatory Planning Programme, Honiara, Solomon Islands

Paper contributed by email to the Pacific Updates on Solomon Islands,  
Fiji and Vanuatu in June 2000.

Hosted by the National Centre for Development Studies and  
supported by the Australian Government's overseas aid agency, AusAID.



Asia Pacific Press at the  
AUSTRALIAN NATIONAL UNIVERSITY

*Pacific Economic Bulletin* <http://peb.anu.edu.au>

*Japan was literally reduced to ashes. In agreement with Article 9 of Japans Constitution, promulgated in 1946, Japan made a conscientious decision to rebuild its shattered nation from scratch with generous assistance from the United States, and regained economic independence in 1952 when Japan signed the San Fransisco Peace Treaty with the Allied Powers<sup>1</sup>.*

In a local context, everybody knows that the last 18-months of ethnic tension has led to the unfortunate closure of Gold Ridge Mining Company Limited and Solomon Islands Plantations Limited. Similarly, the strained operations of Solbrew Company Limited and Solomon Tobacco Limited left its workforce idle. In the process a significant number of employees were forced out of active employment and payment of royalties, government taxes and wages/transport/food ceased.

A mass evacuation of expatriates—some of whom were employees of joint venture companies while others were members of Volunteer Service Organisations such as the VSA<sup>2</sup>, VSO<sup>3</sup>, USPC<sup>4</sup>, UNV<sup>5</sup> etc—was facilitated either by their home countries or parent organisations. International flights were embargoed. Closure of Guadalcanal-based hotels and resorts was ordered, and related to the fiasco was the departure of expatriate staff of Solomon Kitano Mendana Hotel. These incidents have greatly contributed to a declining tourism industry.

The lowering of copra and cocoa production is not only caused by the fall of global market prices for the commodities but, worse still, the prolonged ethnic unrest. At the same time, the management of CEMA<sup>6</sup> stopped the purchase of dried copra for some time. Later, it issued a message that reduced buying prices for copra with effect 19 June 2000 were 1st grade @ \$0.80 per kilogram and 2nd grade @ \$0.60 per kilogram.<sup>7</sup>

Domestic production of rice is limited, so rice supply is insufficient for export orientation, inadequate to dominate domestic market and deficient for purposes of import substitution.

The production of the fisheries and forestry sector is also adversely affected. It was said that financial records indicate that even in tension-free years, the operations of Solomon Taiyo Limited was always running at a loss. The impact of the current crisis on the industry will be disastrous. In terms of forestry resources, logging is the dominant development activity. Be that as it may, the evacuation of Malaysian loggers will definitely reduce the sectors production level.

The negative externalities of the undesirable consequences of the ethnic warfare are lack of investor confidence, fear of isolation, loss of active employment, no job opportunity, no job creation and lawlessness. These unfavourable attributes would incur cash-flow problems for the public and private sectors. The level of investment in the country would be greatly reduced and, hence, foreign reserves will eventually fall.

For purposes of security for urban-based employees and a way out of this financial chaos, the caretaker Solomon Islands Alliance for Change Government (SIAC) has introduced cost cutting measures. In the pipeline is an exercise to coerce employees to accept leave without pay for an indefinite period of time. Government agencies such as the Solomon Islands College of Higher Education (SICHE) have also advised staff to go on leave without pay. Evident in the equation is the non-priority placement of education and health. Instead,

the recollection of law and order situation in the country has become a priority option for the Government.

On the political side of the story, common knowledge has it that the leadership of SIAC Government resigned in great controversy to approved constitutional arrangements. Afterwards, SIAC administration has been at the helm of the country on caretaker basis.

In an attempt to restore democracy a meeting of elected Members of Parliament was summoned on 28 June 2000 to elect a new Prime Minister. However, in a Press Release by ten SIAC Members of Parliament who claim to represent the provinces of Western, Guadalcanal, Choiseul and Temotu, including West Honiara Constituency '*resolved that in compliance with the calls of the majority of provinces within Solomon Islands, shall not attend the proposed meeting of Parliament*'<sup>8</sup>. The result was the non-attendances of 28 Members of Parliament. Among the absentees were candidates for the post of Prime Minister—Hon. Leslie Boseto and Hon. Francis Billy Hilly<sup>9</sup>. Hence, a quorum was not reached.

Signatories to the release further stated that due to the circumstances that have led to the unlawful breach of the national constitution it has become inevitable that all provinces are now capable of declaring statehood. 7 July 2000 was the due date for the proclamation of state government. Such an approach for the attainment of statehood is not constitutional, I reckon. I wonder where in that equation does the SIAC review of Provincial Government Systems fall? The report by the PGRC<sup>10</sup> makes no mention of State Government as desired by popular mass.

A jointly issued statement by the Premiers of Western and Choiseul Provinces supported the concept of statehood. I was at home, in Gizo, the previous week and overheard a discussion on building the economic base of the provinces. Though the idea sounded great, its practicability under the present crisis and government system is weird. Then State Government, one may argue, is the option—yes, but through constitutional changes.

Briefly, let me explain: Firstly, I am led to believe that all nine provinces are sub-systems of a big system. In other words, agencies of a central agent, or commonly known as provinces of the nation of Solomon Islands. Hence, the notion of nationhood must be at the heart of all negotiations. At the periphery shall be statehood.

Secondly, the national government is a major employer in the country. Benefits of fiscal policies; government taxes in whatever form are enjoyed by the country through the mechanisms of the Central Government. Money Supply is regulated by the CBSI<sup>11</sup> through execution of its monetary policies. The CBSI is, also, centrally located.

Third, in terms of infrastructure development the only international airport of the country is in Henderson and seaports are Honiara and Noro. Munda airport can be upgraded to international standard. But that in itself is still insufficient to sustain statehood. Therefore, dreams of economic independence as a drive for statehood must be critically analysed.

Having said this, I must add that Solomon Islanders must value Nationalistic Codes or Principles of Unity based on 'Many Islands, Different Kulture, Different Colours, One People, One Nation—Solomon Islands'.

The current ethnic crisis should not be seen as a disuniting force or disintegrating concept. Instead, it can be a useful learning tool. We are a developing country. As such, I believe that with the constitutional installation of the Prime Minister—the country will be

ready to move forward. The commonwealth, besides, Australia and New Zealand Governments have shown interest in facilitating the payment of compensations to parties affected. Then, the laying down of arms by the Malaita Eagle Force (MEF) and Isatabu Freedom Movement will smoothly proceed. Its monitoring and supervision can be negotiated with the Commonwealth.

On the patrol of Western border, which divides Solomon Islands from Papua New Guinea, bilateral talks between the two Melanesian brothers can be convened. I assume that Papua New Guinea, being the big brother, will be ready to assist.

With assistance from all multi-lateral and bi-lateral partners the country can devote its national energies and resources to the pursuit of sustained economic growth. I trust that the economic reconstruction of the country can be achieved by a talented, well-educated and socially cohesive population whose singular determination is to improve the well being or quality of life of themselves.

Again let us recap that the shattered nation of Japan was rebuilt from scratch with generous assistance from the United States of America. Similarly, the almost bankrupt nation of Solomon Islands can prosper with financial and technical back up from the various multi-lateral and bi-lateral relations. Also, as they say Rome was not built in a day.

## Notes

<sup>1</sup> Kazuo Kodama, Minister of Public Affairs, Embassy of Japan, Washington, at UCLA May 18, 2000 (Los Angeles and via distance learning to Kyoto University May 19)

<sup>2</sup> Volunteer Service Abroad

<sup>3</sup> Volunteer Service Organisation

<sup>4</sup> United States Peace Corps

<sup>5</sup> United Nations Volunteer

<sup>6</sup> Commodities Export Marketing Authority

<sup>7</sup> SIBC Service Message, June 18, 2000

<sup>8</sup> Press Release, Unanimous Resolution by SIAC Members of Parliament on proposed Parliament Meeting scheduled for June 28, 2000, dated June 25, 2000.

<sup>9</sup> *The Solomon Star*, Thursday 29 June 2000.

<sup>10</sup> Provincial Government Review Committee

<sup>11</sup> Central Bank of Solomon Islands