

Sometimes it's not nice to be proven right

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In 1993, the National Centre for Development Studies at The Australian National University launched, as *Pacific 2010*, a series of studies projecting the possible impacts of key challenges facing the Pacific islands region into the twenty-first century.

In August 2010, as the leaders of the Pacific Islands Forum gathered for their annual retreat in the 'affordable luxury' of the Havannah resort near Port Vila, Vanuatu, they might well have taken a minute or two to ponder how the living standards of islanders today measure against those projections.

Economist Rodney Cole (1993:1-2), who spent much of his working life in Fiji, where he became a senior government official, wrote in the introduction to the first book in the *Pacific 2010* series

Like people everywhere, the inhabitants of the South Pacific island states now want more out of life than subsistence affluence. They want, and quite reasonably expect, what their neighbours in the industrialised countries of the region enjoy. The island people of today want better standards of living, health, housing, education and leisure. These wants

can only be met through improved incomes, regular employment and a move away from traditional village lifestyles (Cole 1993: 1-2).

Particularly in Melanesia, he wrote, if population growth rates remained at current levels, 'they must ultimately threaten prospects of reasonable levels of sustainability'.

The population trends in our region are illuminating.

Richard Bedford, geography professor at Waikato University in New Zealand, has outlined them.

In 1800, the region's population totalled 2.2 million. Of these people, 52 per cent were in Melanesia (essentially Papua New Guinea, Solomon Islands, Vanuatu, New Caledonia and Fiji), 27 per cent in Australia, 9 per cent in Polynesia (essentially the eastern islands in the Pacific), 7 per cent in New Zealand, and 5 per cent in Micronesia (the northern islands).

In 1900, of the total 6.07 million population, 63 per cent was in Australia, 21 per cent in Melanesia, 13 per cent in New Zealand, 2 per

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cent in Polynesia, and 1 per cent in Micronesia. In 1950, of the 12.7 million population, 65 per cent was in Australia, 17 per cent in Melanesia, 15 per cent in New Zealand, 2 per cent in Polynesia and 1 per cent in Micronesia. In 2000, of the 30.5 million population, 63 per cent was in Australia, 21 per cent in Melanesia, 12 per cent in New Zealand, and 2 per cent each in Polynesia and Micronesia (Bedford 2005).

Professor Bedford's projection for 2050 takes the total to 47.3 million, with 56 per cent in Australia, 30 per cent in Melanesia, 10 per cent in New Zealand, and 2 per cent each in Polynesia and Micronesia.

Inexorably, Melanesia is pushing its way back into demographic prominence. And Bedford characterises the labour-supply situation in the region as Australia and New Zealand with shortages of skilled and unskilled workers, while Melanesia has an oversupply of labour, especially unskilled workers.

But as yet, there are very few Melanesians working in Australia.

Its pilot Pacific guest-worker scheme is intended to pose a partial solution, but has to date been so wound up in red tape that very few islanders have found their way to Australia, whereas the New Zealand scheme has become hugely successful, by most social and economic measures.

If you turn back the clock to the projections about East Asia, in 1993, economic growth was already washing through the region but liberalisation was still wavering. The *Far Eastern Economic Review* summarised in its 2009 yearbook

Asia has settled the question of whether economic progress can occur before liberal politics. It can. What remains very much in doubt, however, is how long the growing middle class

in the region will condone rigid, often unrepresentative political systems.

There remain problems galore, naturally, but growth—pausing only during the East Asian financial crisis of 1997–98—has driven up living standards everywhere in East Asia, and many of those political systems have lost their rigidity, with a few notable stand-outs.

In contrast, the Pacific has failed on the whole—Samoa and Vanuatu are the current outstanding exceptions—to live up to its people's reasonable, and mostly modest, expectations. The blame must be sheeted home largely to its political élites, who have mostly lied to their people that they can retain their traditions intact and protect their domestic industries from international competition, while also winning access to all the material benefits of modernity.

The *Pacific 2010* project of 1993 involved a 'doomsday scenario' painted by myself: 'a vivid bad dream...that can yet be avoided.'

The scenario included

By 2010, population growth in the Pacific islands is careering beyond control. It has doubled to 9 million. Malnutrition is spreading. Levels of unemployment are high. Deaths from AIDS, heart disease and cancers have greatly increased.

Government services have been privatised or in many cases have lapsed. Crime has increased. Pollution and land degradation has spiralled. Much of the surviving rainforest has been logged. Coastal fisheries have been placed under threat from overfishing. Skills shortages in the labour market yawn wide (Callick 1993:1–11).

The late Savenaca Siwatibau, one of Fiji's leading thinkers on development issues, described the project as 'thought

provoking and forward looking, for Pacific and Australian policy makers and island watchers’.

Sadly, however, the predecessor of the Australian Agency for International Development (AusAID) called a halt to the 2010 project before it had been completed—apparently because it was provoking too much criticism from regional politicians reluctant to face the consequences of continued indecision and poor policies.

Yet many of those deliberately exaggerated ‘doomsday’ projections have sadly become reality in 2010.

One of the forecasts that has been proven wrong was that ‘aid donors have turned their attention elsewhere’. That the region has ended up this way even after receiving world-record amounts of aid raises deep questions about that whole process. Of the 169 countries in the UN’s human development index (2010), no island nation is in the top half. Tonga is a 85, Fiji 86, Solomon Islands 123, and PNG 137. In 2009, Samoa was at 94, Vanuatu 126 — but both have been dropped from the 2010 index, presumably due to a lack of data (UNPD 2010).

The Asian Development Bank (ADB) expects Asian developing countries to grow by 7.9 per cent in 2010, and Pacific island countries by 0.5 per cent. Is it not possible for Pacific leaders—and for those aid organisations that keep pouring vast sums into the region—to learn from what patently works in raising Asians from poverty?

The past 17 years appear to have been effectively wasted, in development terms. When will the long haul back from doomsday begin?

References

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