

NEW ZEALAND'S FOREIGN POLICY TOWARDS THE PACIFIC REGION

Ross J. Craig

The first question I had to face in preparing my remarks today is what I should take to be "the Pacific region". As you know, the Pacific region can be taken to mean all the countries around and in the Pacific. New Zealand has highly important relations with a number of these countries. But for my remarks today, I wish to confine myself particularly to speaking about New Zealand's policies towards and relations with the developing independent and self-governing countries within the Pacific Ocean, more particularly in the South Pacific. There are eleven such countries: Western Samoa, Tonga, the Cook Islands, Niue, Tuvalu, Papua New Guinea, the Solomon Islands, Vanuatu, Fiji, Nauru and Kiribati.

There are one or two points I would like to make at the beginning. One is about distances in the Pacific. Less than a year ago, Air New Zealand and Japan Airlines opened up a direct air service between Tokyo and Auckland in New Zealand through Fiji. This service overflies most of the Pacific area on a direct north-south axis and takes some eleven hours of flying time. In the same flying time, one could travel from Tokyo to Tehran. The distances across the Pacific, east-west, are equally huge. Despite these distances, populations within the Pacific area are very small: some 4 million people altogether in Papua New Guinea, Fiji, the Solomon Islands, Vanuatu, and New Caledonia, and 300,000 in the Polynesian countries. To include Hawaii and New Zealand (but not Japan) the total population of the countries within the Pacific is less than 9 million. Moreover the land areas involved are for the most part small and widely scattered. For example, there are, as I recall, in the case of

the Cook Islands, 20,000 people on 15 islands totalling 92½ square miles scattered over 1 million square miles of ocean. However, with international acceptance of a country's right to exercise control over the resources in the waters surrounding its territory (that is with the development of 200 mile exclusive economic zones), many of these small Pacific countries (e.g. the Cook Islands) have acquired the right to areas of ocean many times larger than their land area. This has offered them development possibilities for the future, though many serious technological and financial problems remain at present.

Another point is that the Pacific Ocean region over the last three decades has been spared from becoming a stage for great power rivalry, and the United States has been, without challenge, the predominant power of the area. But there have been some activities by outside countries which have been unwelcome to the people of the area. One activity, since the 1960s, has been the French Government's testing of nuclear weapons in French Polynesia. At first, the French tested their weapons in the atmosphere. Later, in the mid-1970s, they began to conduct their testing underground. This testing continues and is viewed with concern within the region because of fears about health hazards and other problems. Another recent incident which caused concern was the test firing of a missile by the Chinese Government. This action on the part of the Chinese was vigorously protested by the countries of the area. Such protests point to the sensitivity of the countries in the area about the policies of third countries, which impinge on their own interests, and also their determination to make their views vigorously known. Certainly, on past form, it is most unwise to take the proud independence of Pacific island countries for granted.

Twenty years ago, none of the developing island countries of the South Pacific was independent, and Britain, France, Australia and New Zealand, and the United States all had administrative (i.e. colonial) responsibilities. Today, the British have withdrawn almost completely, and the United States is seeking to wind down its responsibility for the Trust Territory of the Pacific, retaining, though, its responsibility for American Samoa. Australia has no colonial possessions. France (with

Britain) has departed from its condominium over the New Hebrides, which in 1980 became the independent country of Vanuatu, but French administration remains in New Caledonia, French Polynesia and Wallis and Futuna. New Zealand was formerly responsible for the administration of Western Samoa, the Cook Islands, Niue and the Tokelau Islands. Of these, Western Samoa, which New Zealand had administered under a League of Nations mandate and later a UN mandate since 1914, became an independent country in 1962. The Cook Islands became self governing in 1965, and Niue became self governing in 1973. Both countries can become fully independent whenever they wish, but so far they have chosen not to take that step. They take responsibility for their domestic administration but continue to entrust to New Zealand responsibility for defence and foreign affairs. Their citizens have the right to New Zealand citizenship. In the case of Tokelau, a group of three coral atolls with a population of only several thousand people on a few square miles, New Zealand is encouraging moves towards self-government.

As I see it, there are three main aspects of New Zealand's policy towards the developing countries of the Pacific region.

- (a) Consultative: because of the importance it places on good relations and understanding with the South Pacific area, New Zealand feels bound to take full account of the views of these countries in deciding its attitude to any international issue which affects their interests or in which they have an interest;
- (b) Regional partnership: because of the problems of distance and small population and the similar nature of problems in some cases and a similarity of interests, New Zealand believes that a regional approach to many questions can be valuable;
- (c) The goodwill and understanding of other countries: New Zealand also believes it is important there should be good understanding of developments in the South Pacific among friendly countries in Europe, Asia and in America to ensure that they take due account of the interests and aspirations of the developing South Pacific countries.

I wish to take each of these points in turn.

To take the first point about the importance of the South Pacific countries in New Zealand's overall foreign policy, this has a direct bearing on New Zealand's approach to many issues — for example, proposals for closer cooperation among Pacific countries. Requests by the developing Pacific countries for New Zealand's support for initiatives at the United Nations or in other international forums would be given very careful consideration. A further consequence is that the greater part of New Zealand's bilateral development aid (over 70%) goes to the South Pacific countries. This is because New Zealand feels its responsibilities are greatest in that area and that it can make the most effective aid contribution there. It has not always been the case that the largest part of New Zealand's aid should go to the area. For example, a decade or more ago the area of greatest concentration was Southeast Asia.

On the second point about encouraging regional approaches and regional cooperation among South Pacific countries, there have been some remarkable developments over the last ten years. Before 1971 there were hardly any regional institutions in the South Pacific. The main one was the South Pacific Conference with its headquarters in New Caledonia. This body was set up in 1947 to provide a forum for discussion amongst the colonial administering powers. Since then its membership has come to include independent and self-governing countries of the area, and the role it plays in assisting the development of the region is still appreciated. In 1971 the South Pacific Forum was established. This is a political forum which brings together the Heads of Government of all the independent and self-governing territories in the area, including Australia and New Zealand. Today membership numbers eleven. The Forum held its 11th meeting in July 1980 in Kiribati. All questions of interest to countries in the region can be taken up in a direct, open and friendly way at the Forum meetings. A subsidiary body of the Forum, the South Pacific Bureau for Economic Cooperation, was set up in 1972 with its office in Suva, the capital of Fiji. The main purpose of the Bureau is to coordinate regional development efforts and exchanges of economic information among Forum countries. Its first director was from Tonga; its second, quite recently appointed, is from Papua New

Guinea.

Three further institutions have been established: the Pacific Forum Shipping Line in 1978, the Forum Fisheries Agency in 1979, and the South Pacific Regional Trade and Economic Agreement in 1980. The Pacific Forum Shipping Line which is owned by a number of governments who are members of the South Pacific Forum, including New Zealand, was set up because shipping services had proved to be a major constraint on economic development and there had been a marked deterioration in these services in recent years. At the same time, costs had increased considerably. All this had had a deterrent effect on agricultural production in the South Pacific developing countries, particularly in the case of perishable products. The purpose of the Pacific Forum Line was to provide a service oriented to the shipping needs of the developing Pacific countries themselves. The Pacific Forum Line is run on commercial lines, but so far, the service has had to run at a loss with subsidies provided by the governments of the region and some assistance from countries outside the region like the Federal Republic of Germany which has donated several ships to the Line. A great deal of financial input is almost going to be necessary to keep the Forum Line in existence, and it is hoped that well-disposed countries outside the region can help.

The second regional body I mentioned, the Forum Fisheries Agency, which was established in 1979, is to help in formulating regional approaches and providing advice and assistance for the major new resource of fisheries which developing Pacific countries have obtained as a result of the establishment of 200 mile exclusive economic zones in recent years. The declaration of exclusive economic zones has created, for example, problems of surveillance of foreign fishing vessels and also problems for the small administrations of island country governments in negotiating fishing agreements for access to these zones. The Forum Fisheries Agency, it is hoped, will be able to help in such matters.

The third and most recent institution is a trade arrangement, the South Pacific Regional Trade and Economic Cooperation Agreement, between the developing countries of the Pacific Forum and New Zealand

and Australia. It came into force on January 1st, 1981, and offers the developing countries of the Forum free access to the New Zealand and Australia markets on a non-reciprocal basis for a wide range of products. A further aspect of the SPARTECA Agreement (as it is known) has to do with creating export-oriented projects in the developing South Pacific countries as well as providing for assistance in marketing of export products. Already, under its Pacific Islands Industrial Development Scheme, the New Zealand Government offers certain incentives for New Zealand companies to set up factories in South Pacific countries.

As the third major point of New Zealand's policy towards the South Pacific, New Zealand seeks to do what it can to ensure that friendly countries in Europe, Asia and America have a better understanding of developments in the South Pacific and take account of the interests and aspirations of the Pacific island states. In recent years there has been a marked and welcome increase in the amount of aid from outside the region to independent developing countries of the South Pacific. For example, total Japanese Government aid to these countries over the years has totalled some \$64 million (¥12.9 billion). Moreover, Japan has provided a number of experts including volunteers who have made a very useful contribution. The scale of aid to the South Pacific countries is generally at a much lower overall level than the scale of Japan's aid to countries in Asia. Problems associated with it, however, are probably in their own way equally difficult because of difficulties of infra-structure, isolation, administrative limitations, etc. Other countries have, like Japan, also made a big contribution in recent years. One of the most interesting is that of the European Community which, under the Lomé Convention from 1975 to 1980 and now renewed for another five years, is contributing very substantial sums of money to projects in most of the independent South Pacific countries as well as to regional projects like telecommunications. The Lomé Convention also provides for customs preferences for South-Pacific countries' produce in the EEC market, guarantees to maintain average annual export returns for certain key export products, and arranges consultation between the ministers and parliamentarians both of the EEC and of the more than 50 develop-

ing countries which are signatories to the Lomé Convention. I am sure that for the developing Pacific countries the Lomé Convention with the EEC has been significantly helpful. It is a most useful vehicle for maintaining relations between European countries and the region in the post-colonial age.

To look ahead to the decade of the 1980s, it seems that many of the existing problems in the region are in danger of growing (e.g. problems over energy, population pressure, transport and employment opportunities) unless there are increasing efforts by the countries of the area themselves with the support of all outside countries which have a well-disposed interest. But basically, there are grounds for reasonable optimism. There is a good ratio between population and resources, including marine resources and tourist potential, and the physical environment of the developing South Pacific countries for the most part is not inhospitable. Perhaps the greatest problem in the future will be to ensure that in promoting the livelihood of the people of the developing South Pacific countries, the best aspects of their traditions, social systems and distinctive way of life are not irrevocably lost.