PART 3
The Political Economy of Spatial Development in the Pacific
Introduction

“Island economies, and especially small ones ... exhibit a remarkably wide range of economic structures built on a correspondingly wide range of development strategies. Common elements of ‘islandness’ may serve to define island economies as a general class, but clearly there exist several distinct ‘species’ within that class, and a corresponding menu of strategic options open to islander communities in relation to the terms of their incorporation into the global economy.”


Bertram and Poirine are writing about economic integration in the Pacific islands and its possible structures and strategies. But they could have just as easily been writing about political economy, governance, and institutions. If they had been, one of the “species” in the island economies class ready to be identified and provided with strategic options would have been outer Islands.

Pacific outer islands are certainly both diverse and, as a group, distinctive in many ways. This distinctiveness warrants focused and grounded (or at least located) analysis, bringing together the various elements of (diverse) tradition and their (also diverse) transformations and considering them alongside political and economic geography, historical, and institutional development. Recognizing the diversity, this chapter nonetheless attempts to specify and taxonomize – make species – between different kinds of outer island issues, not least by considering them within the framework of wider island political economy.
In political economy, as in other domains, many Pacific outer islands’ issues and possibilities are extenuations of the wider challenges facing island states – well described in the Pacific Possible program (World Bank 2017a) (Box 6.1). Lack of economies of distance and scale, remoteness and dispersion, dependence on a narrow range of price-taking resource and agricultural exports, international aid and tourism, high capital city primacy (dominance), and high costs of connectivity and services delivery are interconnected politically and institutionally through hybrid political systems and large bureaucracies. Dependence on rapidly rising rents from resources, strategic location, and aid may well presage the rise of centralized power and even authoritarian government in the Pacific. Should it come to pass, that development would have impacts on outer islands, perhaps by the state becoming even more central in allocating funds and services.

At the same time, there are places within larger islands (especially Papua New Guinea) that, because of their own archipelago-like (archipelagic) remoteness, face problems very similar to outer islands. For example, many archipelagic political and institutional arrangements are fragmented and vulnerable to patronage, rent-seeking, instability, and thin ranks of high-capability officials (an issue on outer islands, notwithstanding large public sector expenditures).

Across the Pacific, the outcomes of this political economy – or, political ecology, including geography and institutional arrangements (Blaikie and Brookfield 1987, Bryant 1992, Robins 2012) – are again familiar but amplified on outer islands: slow and lagging economic growth and deepening disparities between island locations with different kinds of economic connection to the wider global economy. These underpinnings present profound challenges for outer islands’

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1. This chapter makes extensive use of the term hybrid, generally referring to emerging institutions and ways of governing that are partly based on Western political and bureaucratic forms and partly on modernized or traditional indigenous forms. Hybridization is a crucial ongoing phenomenon across the Pacific.

2. Political ecology analysis commonly combines political economy with a strong geographical sense of the environment, scale, and the impact of physical and human resources, mobility, and productive geography.
development, services delivery and other outcomes – especially, as emphasized in Pacific Possible, in the face of issues related to climate change and non-communicable diseases. They also present opportunities and vulnerabilities in the light of the rising strategic significance of the Pacific, a significance registered in rising aid budgets but also in influence of resource and other interests working at island state and outer island levels.

Beyond these generalities, there remains remarkable diversity in the Pacific as institutions adapt and hybridize according to the local logic of place, distance, customary practice (traditions, cultural variations), and inherited political and institutional structures (such as parliamentary or presidential government). None of this can be predicted, much less controlled – but there are at least as many ways for these things to go wrong as to adapt positively. This chapter seeks to lay out the wider trends, but it also considers where the divergences could be pointing to trouble. It combines several strands of analysis into a new synthesis, which spells out both strengths and vulnerabilities, especially in relation to resource and other rents and ways indigenous outer island cultural and other practices get translated into local government arrangements.

The chapter begins by presenting the basic issues of island political economy in summary, then takes a deeper dive into four areas of more immediate concern to the outer islands:

1. Representation and political power;
2. Reach of state capability;
3. Emerging hybridity in governing forms; and

The chapter’s main arguments are summarized in Box 6.2.

This chapter is the product of a series of analytic conversations and desk analysis, complemented by long field experience and project-specific consultations to outer islands in Tonga and Kiribati.

Background/overview and taxonomy: The wider political economy of Pacific island states and peripheral, outer island contexts

The political economy of outer islands is itself powerfully shaped by the wider political economy of island nations themselves. Bertram and Watters’ (1985) classic identification of the major characteristics of many Pacific Islands as dominated by factors related to Migration, Remittances, Aid, and Bureaucracy – neatly abbreviated to MIRAB – holds remarkable salience for the political economy of pacific outer islands. Baldaccino’s PROFIT formulation recognizes People considerations; Resource management; Overseas engagement; Finance, insurance, and taxation, and Transportation and McElroy’s SITE describes Small Island Tourist Economies. Both are significant at subnational, outer island scale (Bertram 2006, Tisdall 2104). Most outer islands tend to have a distinctively MIRAB complexion, with Migration, Aid, Remittances, and Bureaucracy as reliable bastions (and core dependencies) of their peripheral economies, even where international migration is not enabled. Natural resource exploitation is the most important (but highly uneven) new addition to this basic outer island profile.

However, geography is an even more potent political and economic factor on outer islands, amplifying and exacerbating the basic features, dependencies, and distortions of wider Island state (political) economies. On outer islands, the asymmetric effects of remoteness, dependency on central actors and resources, and the impossibility of large-scale urban and economic agglomeration become even more pronounced. The vast dispersal, remoteness, and tiny scale of all Pacific islands renders them marginal and vulnerable in all but a number of areas (tourism, special financial markets, fisheries/extractives), especially where labor mobility is restricted. Small island states’ production is often highly concentrated, typically in commodities where they are price-takers. They are highly vulnerable to price fluctuations, but still need to import a
BOX 6.2

This chapter’s arguments

Island states political-economic context

- Outer islands’ political economy is in large part a microcosm of wider island political economies, but with more pronounced variation on the emerging parameters and vulnerabilities due to even smaller scale and greater remoteness. The overwhelming majority of outer island locations in the Pacific demonstrate strong MIRAB characteristics.
- The challenge for Pacific archipelagic states with their outer island peripheries is to establish institutional arrangements which can work with the crucial tradeoffs between connectivity and locally relevant political representation and executive capability. But there is little strategic sense of what these institutional arrangements should look like, and some current developments/ ‘drift’ in this area is creating solutions which are unlikely to be effective.

Representation and political power

- Outer islands prospects are powerfully affected by centralization of power, economic activity, and rent allocation in national capitals; the central level is where their interests need to be represented and rents secured, if basic rights and services are to be provided.
- Yet outer islands are by no means just peripheral sites and stages for political power; they have more MPs/population than main islands; they have unique status and representational legitimacy and, in many cases, this status can be leveraged to outer islands’ disproportionate advantage, promoting some decentralization.
- Nonetheless, fragmentation and ongoing (usually patriarchal and patrimonial) personalization of politics can work against the effectiveness of outer islands’ representation, creating asymmetric access and outcomes, instability and high turnover, poor investment decisions, and quite limited group, age, or gender representation and mandate in some locations.

The reach and capabilities of the state and the impact of rising resource rents on spending patterns

- Outer islands’ links to the center are crucial; these can be strong, supported by capable states giving access to aid and bureaucracy, resource rents, migration and remittances, basic transport infrastructure to enable tourism, and trade; but in many outer islands contexts there is limited statehood and practical/political reach of the state.
- Rising rents from resources, strategic location, and aid are concentrating allocative power in the center, where large scale decisions can be made that have huge impact on local finances. These rents are tipping the balance toward investment in large, nationally controlled projects – such as roads, airways, and maritime infrastructure – beside which local (and widely recurrent) budgets and decision-making powers pale.
- Outer islands may have strong and democratic local representation, but that is no guarantee of any particular island’s access to rising central resourcing and its allocations, or that overall expenditures will not be fragmented and based on short-term asset creation and electoral gain (Barma et al 2012: 197), or that projects built with national resources are well-run and maintained.
- Where parties with national programs including public services are weak or absent, and capital project expenditures dominate, ministerial and sectoral responsibility for recurrent services is often nowhere held to electoral account, and there are few incentives for representatives to try to do this.
BOX 6.2

This chapter’s arguments (continued)

• In very remote Areas of Limited Statehood, diverse and hybrid governing arrangements can emerge as local leaders step up to fill the vacuum created by limited state presence; the hybrid forms use the frameworks and language of the state but in fact represent very different kinds of power relations as local leaders step into the vacuum of limited state presence.
• From these different power relations, very different forms and capabilities for services delivery are already emerging, some adaptive, and some ensconcing patrimonial power.

Emerging hybridity in institutional forms: rising neopatrimonialism,\(^1\) constituency funds

• The Pacific has always had diverse political and institutional arrangement; currently, in the conditions described above, adaption and hybridization is continuing apace.
• This hybridization can be positively adaptive, but in some locations it supports the emergence of various kinds of clientelism, with personalization of politics, emergence and institutionalization of patronage, and a re-combining of bureaucracy with adaptations of tradition.
• Political pacting describes agreements of MPs to form governments or support them in confidence votes. Where is driven by party structures spanning archipelagos and uniting culturally affined regions, hybrid forms can adaptively enhance access and bring services to local contexts. Where pacting becomes monetized and based on resource or aid rent provisioning, prospects are much grimmer. New and significant influxes of resource rents (e.g., from fisheries or strategic location) can shape both the nature of central pacting and the ways resources are brought to outer islands.
• The rise of personalized neopatrimonialism and rent-based provision pacting to form governments – along with the effects of fragmentation on political party formation – is creating strong incentives for MPs to seek personal control over funds for constituency “services delivery” as well as for other centrally allocated forms of discretionary rent.
• These personally controlled, high discretion, and limited accountability Constituency Development Funds are emergent in several Pacific contexts. Their outcomes in delivering services are highly suspect (as is the role of the provision pacts in fostering corruption).

Resource governance and social regulation

• Emerging hybrid arrangements are not only poor deliverers of services; they are also patently weak and vulnerable in social and natural resource regulatory roles, especially under the press of powerful outside interests (notably, resource-related interests).
• Where outside interests are able to access centralized power and link it to some traditional authority faction in Areas of Limited Statehood contexts, local communities can be particularly vulnerable.
• Outer islands are likely losers in “scale wars” around resource governance, where various actors use different levels of governing scale (usually central agencies) to try to secure access and deny or instrumentalize different local/outer island groups and interests.

\(^1\) Neopatrimonialism is a “form of organization in which relationships of a broadly patrimonial type pervade a political and administrative system that is formally constructed on rational-legal lines …” It is “a system of social hierarchy where patrons use state resources in order to secure the loyalty of clients in the general population. It is an informal patron–client relationship that can reach from very high up in state structures down to individuals in small villages” (Clapham 1985:48, see also Medard 1982).
diversity of products. Key industries, including fisheries and tourism, depend heavily on outer islands to generate legal fishing zones and the symbolic capital of remote resort life. Labor mobility can loom remarkably large in outer islands contexts, with education and even church membership closely related to accessing international labor markets or at least the capital city. At the same time, remittances and (in some rarer cases) tourism offer otherwise unachievable lifestyle bonuses.

The vulnerabilities of a limited range of exports and difficulties of government and/or private sector transport provision are amplified in outer islands. A bad year in agriculture or the loss of a single air or shipping route cannot be easily offset by other economic activity. For a range of reasons, including lack of economies of scale in delivering services, outer islands too often have outsized (but who is to say, too large?) public sectors, much dependent on international aid. These public sectors still impose basic costs on government, the economy, and the public sector, including health and education. Climate change and disasters also have acute significance in outer islands, especially the low-lying atolls with limited escape options and high costs of restoration. The impact of disasters can be limited nationally, but utterly catastrophic locally.

Where they do not or cannot possess unique advantages (i.e., as distinctive tourism destinations or financial centers), outer islands are unlikely to be the economic development stars of any region. However, they remain significant in the wider political economy and human development of the Pacific. Their position enables resource and geographic claims by their island nations to be extended over tuna fisheries and strategic islands and routes. A certain kind of “growth” can happen in particular locations - for a time extending and deepening MIRAB dependencies and enabling more import consumption through resource extraction. In this way, even the most remote islands will gain (in the short term, unequally) from mineral wealth and labor remittances (again, often subject to wide fluctuations). In terms of economic development opportunities and policy orientations, their very remoteness means their populations are already geared for travel to larger islands and national capitals, which act as stepping stones for labor mobility.

The very peripherality and dispersion of Pacific island states in general has implications for patterns and relative scale of urban growth and economic agglomeration. As elsewhere in archipelago states, Pacific island capitals are many times the size of an island state’s next largest urban area, and national institutions, transport links, and sources of formal employment and rent (including aid) are all closely clustered. As developed in Section 1 below, this means that outer islands live in the shadow of powerful centralizing forces and that capital cities become crucial sites for outer islands’ pursuit of political and economic opportunities. Outer islands can have disproportionate power in obtaining centrally allocated resources and shaping national political coalitions. At the same time, they face huge costs relative to urban areas in getting services delivered, and these costs both incentivize and raise the stakes around seeking extraordinary budget shares. Just to deliver the most basic services, the outer islands consume much of any advantage achieved.

Institutionally, outer islands face a smaller but more pronounced version of “small states” problems, with dependency on both individual and overall policy and reform capabilities. They face the same trade-offs between universal and place-specific development policy choices. In a Pacific “sea of islands” political economy context, the challenge is to establish institutional arrangements that can powerfully enable mobility and the effective reach of the state, connecting small outer islands to the mainland. At the same time, it should provide enough in terms of locally relevant political representation and voice in national policy and political contexts. As it stands, there is little strategic sense of what these institutional arrangements should look like, and some current developments/“drift” in this area are creating solutions that are unlikely to be effective and, if left to drift without corrections, will undermine outer island representation and development in the future.
Outer islands politics and institutions: an initial taxonomy

This chapter considers issues relevant across the Pacific, looking for wider patterns while maintaining a vigilance about the region’s high diversity. Table 6.1 signals some important elements of pattern and diversity. Table Table 6.2 is more specific about overall and comparative governance, politics and service delivery characteristic.

It is also possible to group different outer island contexts in terms of the overall characteristics of their political economy and institutional arrangements. In Table 6.2, outer island situations are placed on a continuum between those subsisting in strong, unified, and centralized states and fragmented, limited-reach states, with significant Areas of Limited Statehood (see discussion in Section 3.2 below). In the table, various island groups or remote, outer island contexts have been allocated to different categories. However, these allocations are in most cases tentative and subject to ongoing internal discussion and debate. This taxonomy is also used in Chapter 8’s discussion of service delivery on outer islands. In addition, the includes references to patronage and patrimonialism, resource and other centralized rents, and their role in shaping governance and institutional outcomes. These matters will be developed in the course of this chapter.

Table 6.1: Basic political and governmental configurations, by Pacific island state

<table>
<thead>
<tr>
<th>Island state</th>
<th>Outer islands (OIs)</th>
<th>Government system</th>
<th>Economic and political geography: fragmentation / centralization</th>
<th>Prominent issues affecting OI governance in these contexts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>Numerous, but also very remote mainland locations</td>
<td>Westminster⁴</td>
<td>Highly fragmented, strong capital city primacy</td>
<td>Patronage and provision pacts, CDFs, resource curse institutions, weak subnational government, reach of the state; poor local representation within national party framework</td>
</tr>
<tr>
<td>Fiji</td>
<td>Numerous, including very remote OIs</td>
<td>National List proportional⁵</td>
<td>Centralized</td>
<td>Centralization following coups, ethnic and OI representation</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>Numerous, extensive, with very remote OIs</td>
<td>Westminster</td>
<td>Fragmented</td>
<td>Patronage and provision pacts, CDFs, reach of the state/ALS⁶, resource management</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>Numerous, including remote OIs</td>
<td>Westminster</td>
<td>Fragmented</td>
<td>De facto CDFs, resource management</td>
</tr>
<tr>
<td>Samoa</td>
<td>Several</td>
<td>Hybrid matai⁷/dominant party</td>
<td>Centralized, dominant party</td>
<td>Maintaining strong hybrid representation nationally</td>
</tr>
<tr>
<td>Tonga</td>
<td>Several</td>
<td>Hybrid royal⁸/dominant party</td>
<td>Centralized, unified</td>
<td>Rise of CDFs, unity of dominant party</td>
</tr>
<tr>
<td>Kiribati</td>
<td>Extensive archipelago, remote OIs</td>
<td>Hybrid presidential parliamentary democracy⁹</td>
<td>Centralized, electorally fragmented</td>
<td>Capital city primacy, reach of the state/services; centralized sovereign wealth fund, copra subsidy politics</td>
</tr>
<tr>
<td>Federated States of Micronesia</td>
<td>Extensive archipelago, remote OIs</td>
<td>Federal presidential democracy in free US association</td>
<td>Fragmented, federalized into four states</td>
<td>Access, family, island and personal-based politics; maintaining strong federal representation and efficacy</td>
</tr>
<tr>
<td>Tuvalu</td>
<td>Extensive archipelago, remote OIs</td>
<td>Westminster</td>
<td>Centralized, electorally fragmented</td>
<td>Confidence votes, reach of the state/services, phosphorous trust fund resources</td>
</tr>
</tbody>
</table>
Four political economy issues areas

The discussion so far sets up a closer look at the four previously mentioned linked aspects of outer islands’ political economy:

1. Representation and political power;
2. Reach of state capability;
3. Emerging hybridity in governing forms, and
4. Resource and other social regulation.

Political representation

Representation issues on outer islands need to be considered in the context of both local political formations and their geographies and the wider political legacies and their adaptation over time in Pacific contexts. What follows explores the basic dynamics of political formation and opportunity and how they relate to issues of outer islands’ representation. The ways these dynamics are changing outer islands’ politics and adapting institutions is explored in Section 3.

Pacific Island political formations and their geographies

Political structure has long been paramount in the Pacific. Polynesian societies in particular have a long legacy of highly formalized and hierarchical political arrangements, stretching across
oceans and archipelagoes. Much of it has been translated into modern contexts. Melanesian polities often reflect higher levels of geographic, linguistic, ethnic, and other fragmentations and frictions. In all Pacific situations, however, locally scaled politics has been transfigured by adaptation to the modern nation state and its larger geographies of representation and reach.

The outer islands are specific and significant sites and scales where the wider dramas and structures of politics and (especially resource) economics are played out and reproduced (Allen 2018). Islands, especially small outer ones, have unique qualities as a level of obvious and necessary political scale, with islands simply through their “island-ness” possessing a basic and visible legitimacy and demanding a clear assignation of representational rights and national

### Table 6.2: An overall taxonomy of Pacific states with subregional/outer islands characteristics

<table>
<thead>
<tr>
<th>State/polity/economy characteristics</th>
<th>(Services delivery) outcomes on outer islands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong, unified</td>
<td>National services</td>
</tr>
<tr>
<td>Capital city primacy; strong, unified, programmatic, perhaps dominant party; high dollar volume and widely distributed remittances, limited resource dependency. Heavy OI dependence on central state/party; strong links and participation. Politicians use central state to distribute largesse. Fiji, Samoa, Tonga, New Caledonia</td>
<td>All islanders seen as citizens, potential party voters. Politicians have a programmatic policy platform and invest in state capability (including via aid) to deliver services. OIs can get provision of strong national services with high equity, even disproportionate share of resources, even more so because their MPs can do well in national parties.</td>
</tr>
<tr>
<td>Nation/statehood, cultural/ethnic unity, strong/ unified to weak/fragmented with extensive periphery fragmented with extensive periphery</td>
<td>National services, capital investment but with prominent MPs/regions Peripheral MPs club together/use prominence to get the state to deliver services to island/region/periphery, often using aid rents. MPs (and especially cabinet members) are likely to want resources to deliver/channel services themselves, meaning projects and capital budgets expenditures (roads, buildings). Regions/OIs can get inequitable share of state funding for major infrastructure (health, education, roads) and services though exceptional, entrenched leadership and where their power is exercised regionally/together.</td>
</tr>
<tr>
<td>Prominent center, regional (or even periphery/OI) dominance</td>
<td>National/personalized patronage Politicians not investing in or depending on state machinery to deliver services, but receiving state resources to do so. Constituency Development Funds not distributed equitably among electorate/constituents but to clients, with low accountability, high discretion, and heavy use of connected contractors. Politicians from resource-rich areas may have disproportionate influence. Build, neglect, rebuild of local infrastructure for services (health centers, health worker and teacher housing, schools). Violent local politics/law enforcement presence can disrupt.</td>
</tr>
<tr>
<td>More dispersed polity, often with regional power blocs or perhaps a federal basis. Party structures agglomerate parochial interests; policy driven by emphasis on MPs delivering pork to their islands, electorates, regions. High aid (or resource) dependency, tourism potential. Politicians can establish electorate fiefdoms over time and secure re-election. Public service can be dominated by people from particular regions. FSM, Kiribati, Tuvalu, RMI</td>
<td>Limited state legitimacy Legitimacy from service delivery is limited. Places beyond the reach of the weak central state. Prone to law and order regulatory failure (environmental and other conflicts) and resource-grabbing predation.</td>
</tr>
<tr>
<td>Prominent but disjointed center, fragmented polity, strong resource base</td>
<td></td>
</tr>
<tr>
<td>Politicians capture central funds (from services delivery, health, education) for coalition building, personal patronage, wider clientelism. Or to fund projects where (e.g., capital cities) they can produce further rents. High turnover of politicians, high party instability, some fiefdoms dominated by long-term incumbents. Scale wars: resource decisions made at central level, with locals not getting much say/share. Post-colonial Melanesian contexts. PNG, Solomon Islands, Vanuatu</td>
<td></td>
</tr>
<tr>
<td>Areas of Limited Statehood State reach limited by low income. Peripheries feel abandonment by state; other entities emerging to fill the gaps. Outer island/remote PNG/Sols (e.g., Milne Bay, Trobriands, Rennell, PNG Western Province, Hela)</td>
<td></td>
</tr>
</tbody>
</table>
budgets. They might be remote, and dependent on centralized processes and allocations, but they have a clear right and need to be at the table. As such, they are by no means peripheral to centralized dramas and structures; rather, outer islands’ political leaders are actively drawn into contests played out in the center, where they can be extraordinarily successful and influential.

**Capital city primacy and rent allocation in archipelagic settings**

There is a powerful paradox at the heart of outer island politics. Centralization and capital city primacy mean outer islands have a larger stake in central political contests – if they are to access resources and even basic services. But many aspects of their very remoteness can mean that in these central contests, they exert disproportionate leverage and power.

It is worth unpacking both the centripetal (centralizing) and centrifugal (decentralized) aspects of this paradoxical structural dynamic. Capital cities in archipelagos everywhere have a high level of primacy – that is, scale in relation to the next biggest cities – due in part to the dominance of the state apparatus and core infrastructure (ports, airports, national educational and health facilities) (Connell 1984, 1988; Brautigam and Woolcock 2001). All of the government structures and bureaucratic agencies needed for a modern nation state (and typically co-financed financed by foreign aid) will be located there. It is likely that a small nation will be just one national university or hospital, police or other training academy, military headquarters, international airport, container facility. They will all most likely be in the capital.

Politically, capital cities stand tall. If there is a list-based proportional representation system, as in much of the francophone Pacific, or if party structures are strong for other reasons (as in Samoa and Tonga), power is yet more likely to be centralized in party hierarchies based in capital cities. Fiji’s national list-based electoral system heavily empowers central/Suva-based interests over localities, with MPs needing national profiles and allegiances to get elected.

Capital cities exert special power as the highly privileged sites where key (political, aid, resource) rent allocation decisions are made (Barma et. al. 2012, 197); allocation of such rents typically depends on very particular and personalized kinds of access. Especially where political pacting is based on allocation of rents, access to and occupation of particular political offices within the government become especially lucrative and important. In many matters related to distribution of rents, however, officeholding is simply the first crucial step. Personal and party allegiances, projects and related entourages, and accessibility to commercial interests seeking political favor (Moore 2008) are crucial to realizing the potential advantages available, both personally and in terms of pork-barrel spending and other benefits for local or outer island people. This centralizes power in important practical ways. MPs from everywhere gravitate to and often live in the capitals, and they become part of cliques, associations, and loyalties – with the opportunities they present. The capital offers a series of well-known sites (often hotels but also residences, clubs, and restaurants) where, quite simply, personalized client relations are established, the deals are done and resources are allocated.

It is this theater of power and distribution of rents and resources that outer islands must access and contest. Success in this contest is likely to be disproportionately rewarded; failure, too, will have highly significant impacts. Outer islands also come into political prominence as places where asymmetric and patronage-biased allocation of resources and services to prominent government figures and their electorates are likely to be felt – as it was recently in one Pacific nation. In November 2018, a confidence vote was staged in the Marshall Islands, with one of five prominent reasons being fairness around services to outer islands, with critics claiming that only the islands of the Ministers were getting projects.

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3 Urban primacy indicates the ratio of the prime city to the next largest city – i.e, the second largest city in a country or region [https://en.wikipedia.org/wiki/Primate_city](https://en.wikipedia.org/wiki/Primate_city).

4 Personal communication, 11 November 2018.
The primacy of capital cities, and their important and particular rent-allocative roles, is much more acute where aid or natural resources loom large in relation to other budgetary sources – and especially where central political pacts are primarily based on central rent distribution (see Section 3). But everywhere, resource, aid, and other rents shape opportunities for central actors able to capture and redeploy them. To the extent that these actors can heavily distort institutions, this shapes public finance channels and modalities and determines the mix of, for example, capital and recurrent budgeting outer islands will receive (Barma et al. 2012: 197). As this chapter will discuss in Section 4, they also create “scale wars” where different levels of government work at odds with each other, hindering effective and predictable regulation and undermining trust and effectiveness, creating dimensions of resource curse hitherto little understood in Pacific island studies (Allen 2018).

**Centrifugal forces: small electorates and a rural/ small island gerrymander**

In addition to being pulled to the center, the politics of archipelagos are centrifugal, meaning that some elements work in favor of the peripheral outer islands. Across the Pacific, there is a marked tendency to scale electorates to islands or small island groups – what Fukuyama (2011: 91) describes as “natural circumscription.” This means, for example, the small Shortland Islands group electorate in Solomon Islands recorded 2,001 votes in the 2014 election, with 938 received by the winning candidate. In the Urban (central) Honiara electorate, the elected MP receiving 2,897 of the 11,586 votes cast.5

In this case, a rural vote is worth more than four times an urban one. Across the Pacific, urban electorates are much larger than rural ones, even though many urban dwellers are registered to vote in rural places and return home for elections. Looking again at Solomon Islands, 47 rural MPs were elected by an average of 4,995 electorate voters; whereas the three urban MPs represent an average of 8,522 voters. Actual populations relying on services are much higher in urban electorates. An average of 21,536 people live in Honiara’s three urban electorates; Rennell and Bellona’s MPs represent a population of just 3,041.6

Tonga’s 17 electoral constituencies are similarly lopsided. In the 2010 election, the outer island Niua constituency elected its MP with just 383 of 819 votes for all candidates.7 The Ha’apai islands MP received 470 of 1472 votes,8 and the Eua island MP 772 of 2,076.9 The winning candidate in Tongatapu 1 secured 1,422 of 2,656 votes.10 The central MP was returned with four times the votes of the most remote outer islands MP by a participating constituency more than three times larger than the outer island electorate. On the other hand, Tonga has more MPs located on the main island than most other Pacific Island nations. In other words, urban primacy does not prevail in relation to voter power. On the contrary, as the situations in Kiribati and RMI show, the most-primary cities often have the least proportionate representation (Figures 6.1 and 6.2).

Overall, most Pacific countries have many more MPs from outer islands than main islands and many more MPs representing rural interests than urban (Figure 6.3). This imbalance is directly reflected in overall rural development policy, in the challenges to getting urban development adequately funded, and in the allocation of services along equalitarian lines. Sometimes, as happened in the most recent Kiribati election, a political group can very successfully use outer island services as its major policy platform, promising scales and investments in infrastructure that will be challenging to meet, given the high costs of outer island development and transport links.

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In effect, people living on outer islands are beneficiaries of a rural/outer island gerrymander—they have, simply, disproportionate political power that can be turned into increasing shares of what government does. With this kind of representation, rural development is much more likely than urban development to receive budget and development loan targeting, even if urban agglomeration and related larger scale infrastructure would do more to enable efficient services and long-term economic growth. Rural MPs are usually complicit in urging rural development priorities over urban ones, even when it is manifestly clear that urban development and agglomeration will deliver the best outcomes nationally.

On outer islands, however, a great deal depends on individual leaders. Having realistic understandings of economically viable development options is not enough. Outer Islands’ political leadership demands skills in targeting and leveraging central (aid, resource, strategic location) rents, obtaining national leaders’ personal support, and attaining high, ideally ministerial, status. Which ministry is not so important: a minister of lands can swap favors to get a jetty or high school built back on the home island. A knack for bridging local-national distance and obstacles is needed to access resources and fund even basic services.
For a number of reasons, then, outer islands MPs are not at all significantly disadvantaged in contesting national politics, either to get resources or to seek higher office themselves. This has further representational implications in national government leadership stakes. Many powerful Pacific leaders continue to emerge from remote locations (Box 6.3). Outer islands can offer politicians a secure, even impregnable electoral base from which to engage national politics. If the politician is able to consolidate support across local groups, electoral turnover can be limited, allowing political fiefdoms and repeated opportunities to be a key player to emerge. Politicians who cannot consolidate local support may (depending on the electoral system) become one of many local MPs turned over at election time.

In Westminster systems where “party-hopping” is possible, politicians have strong incentives to join governments. They may ultimately be able to do so even as independents or leaders of small parties, meaning they are well positioned to seek political position and other rents of office in exchange for support. They are often able to be disproportionately influential in coalition formation, but they are disproportionately affected by not being part of coalitions. With access to lucrative office and with a broker role in a fragmented political system, the way to national political leadership is open – more so in some Pacific polities than in others.

### Fragmentation and representation

The Pacific has some strong, unified and capable states, which create strong links between outer islands and the wider world, including international opportunities (Table 6.2). Outer island status is no special obstacle to political representation, especially where core-periphery links are strong and central party structures and list-proportional representation processes are not, with MPs “integrated” into patrimonial, patriarchal systems. In these circumstances, outer island origin is in many Pacific electoral systems as good a basis as any other for contestant national politics. However, fragmentation can make representation much less predictable and effective.

Throughout this chapter, the effect of political, social, and economic fragmentation will be highlighted, reflecting the powerful impact it has on the wider political economy. Box 6.4 shows that fragmentation is a simple geographical fact in many outer islands. Not only are they small and isolated polities and societies far from the capital, but they also typically contain their own inner fragmentations, contests, and conflicts. It is these divisions that representation in outer islands typically struggles to manage or govern. In political economy terms, outer islands are an important, reasonably extreme form and locus of fragmentation and all its challenges (Baldacchino 2013).
The small scale (yet deep importance) of local social groupings on outer islands makes for difficult political representation. An island may be a homogeneous ethnic, social, and political entity. But if it is not (as in much of Western Melanesia) and/or the island is divided by multiple clans, tribes, and even language groups, the likelihood that any larger constituency-based electoral process can deliver fair or workable representation and political accountability is small indeed. In other cases, an electorate covers two or more islands, whose inhabitants may in fact have had ongoing disputes.

Electoral systems can make a difference to fragmentation and representation issues, with list-based proportional representation systems generating stronger parties, centralizing power, and subordinating outer islands’ interests to decision-making processes based in the capital city. Westminster systems based in such arrangements as first past the post or single transferable votes seem to make archipelagic fragmentation and electoral turnover worse.

Western Melanesia demonstrates the effects of a fragmented polity, partly because the Westminster system has largely persisted there since independence, and that system seems especially susceptible to the problems of representational fragmentation. Sometimes, politicians emerge who can unite various local constituents and represent diverse electorates as a matter of principle and effective politicking. At island scale, or in hybrid island mainland electorates, a politician able to unite different groups will enjoy longevity – as seen in the long political lives of MPs in Milne Bay and East New Britain, PNG. More likely is that each different group will

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**BOX 6.3**

**Outer islands origins are no obstacle to political ascent**

The following prime ministers and heads of state emerged from outer islands and remote rural areas:

- **Solomon Islands**: Solomon Mamaloni (prime minister 1981–84; 1989–93; and 1994–97) Peter Kenilorea (prime minister 1978–81, 1984–86);
- **Samoa**: Tuilaepa Malielegaoi (prime minister 1998–now);
- **Fiji**: Kamisese Mara (prime minister 1970–92, president 1993–2000);
- **Kiribati**: Teburoro Tito (president 1994–2003), Anote Tong (president 2003–16);

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11 MPs are elected from either geographic constituencies or party lists of ranked candidates, based on their party’s overall share of the vote.
12 First-past-the-post systems award the candidate with the most votes the parliamentary seat.
13 Single transferable votes enable voters to list their favorite candidates or parties. If their first preference is knocked out, their vote for a second or third preferred can still be counted (until that person is also knocked out). This ensures elected MPs have a wider support base than under first past the post, and this matters in fragmented electorates.
14 If they are not to be highly unstable, Westminster systems require stable parliamentary majorities based on strong party affiliation. First-past-the-post arrangements in fragmented polities enable people to get elected with tiny shares of the electoral vote. While their allegiances to wider policy, party, or geographical arrangements are weakened, they are much more likely under such circumstances to be active players in confidence-vote destabilization.
put up candidates of their own, splitting the vote between large numbers of candidates. In this context, most votes do not count, and the MP is almost never elected by a majority of the population. Any particular MP will be elected by a small, perhaps even tiny, proportion of the wider constituency, and it is to the issues of the small group that his patronage will attend.

The stakes are high around who gets elected and where the MP will bestow patronage, especially if MPs have automatic personal and discretionary access to development funds. Clans or other groups desperate to retain or gain power will often abuse the electoral process by bloc voting, electoral fraud, or violence. Voting irregularities are perpetrated and tolerated – as long as it is your candidate who benefits.

High turnover of MPs at elections is another common feature of such fragmented polities, whether outer- or main island-based. Long-term political commitments of MPs to sectors, communities, or particular policies are rarer. Rather, MPs are appointed as ministers in government with little or no sectoral or policy expertise, and continuity in particular ministries is rare. Newly appointed ministers often arrive with their own entourage and patronage obligations – and a short time frame in which to access power and rents. What’s more, they arrive with a limited technical sense of what good practices might be, of how current policy framings were arrived at, and how policy processes actually function in weak party contexts. Continuity, where it occurs, is likely to be based in family and dynastic succession and ongoing patronage of particular local communities by these patron politicians. Commitment to policies across multiple political terms is very difficult.

Electorates in Western Melanesia are especially prone to this phenomenon. Candidate pools of 50 or more are not uncommon.

PNG’s outer islands show higher levels of political stability and continuity than Highlands areas. Milne Bay and East New Britain MPs, for example, are usually elected for multiple terms. However, the same basic underlying representational politics subsist.
**Personalized politics, collective action and small-island representation at national scale: “small fish swimming in the shape of a shark”**

All these forces shaping political economy mean that the personal status and acumen of political actors is increasingly crucial at both the local and national levels. This personalization of politics is a global phenomenon, with politics and politicians presented and viewed (especially in media contexts) as heroic contests where would-be leaders attain power through personal qualities and related patronalism and patronage, rather than through merely institutional means (McAllister 2007, Runciman 2013). Globally, personalization of politics has affinities with populist and authoritarian governments; in the Pacific and outer islands contexts, the affinities are more likely to be with traditional power, again not necessarily expressed in democratic ways (discussed in Section 3 below).

In Pacific archipelagos, national parliaments can in many cases become convocations of such personalized leaders (Corbett 2015a, Corbett and Veenandaal 2017) – a phenomenon described as “small fish swimming in the shape of a shark” (Corbett 2015b). Leaders brought together not by political parties of policy, but by the need for pacting to form governments. But fragmented, place-based representation coupled with high dependence on individual skills/dispositions and personalized relationships can leave both local and national governance weak, unstable, fragmented, and predatory. Outer islands MPs are already small fish, and many are highly motivated to join the shark.

An outer island MP with weak political skills in the central context may be marginalized and will lose out in the aggressive national “pork barrel” context. These MPs are likely be removed at election time by factions within their own electorates, especially those who missed out on shares of projects. Often, this increases the likelihood the MPs will target resources (e.g., to build, maintain, or subsidize transport access) to their own particular support groups, excluding others. Cycles of this kind of behavior over decades can be ruinous, especially if these MPs spend the short term amassing personal wealth though their positions. In remote and outer island contexts, this behavior can deepen patronage and electoral conflict; at and national level, such leaders can become footloose, unpredictable figures within fissiparous political contexts, contributing to wider political instability. Such is the fate of single-term remote/outer island MPs.

While much depends on the character, capability, and personal networks/animosities of the particular leader, outcomes also depend heavily on the wider context and its capacity to countervail fragmentation and create collective action. Key factors here include: (i) the particular nature and representational outcomes of local ethnic and geographical fragmentation; (ii) whether a strong or dominant party structure exerts influence over MPs from diverse locations; and (iii) whether there is a Westminster system or other mode of political organization that is vulnerable to confidence votes from MPs with diverse and fragmented local interests and constituencies. A strong, dominant party in a strong state, present in Tonga and especially Samoa, will mean outer island MPs need to join the party before elections; they are not in a position to bargain afterwards as they are in fractured Melanesian contexts. In weak party contexts, fragmented, locally dominated politics can create unstable national governments and ramp up patronal rent-seeking and corruption within the wider political process. This chapter will return to these risks in Section 3.

The high level of variation around these contexts means there are many different forms of local representation relations within national politics across the Pacific. Some are uniquely hybrid; others are emerging, which seems to have strongly negative outcomes for both national and local development. All are highly and perhaps increasingly personalized.

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17 “Pork barrel is a metaphor for the appropriation of government spending for localized projects secured solely or primarily to bring money to a representative’s district” https://en.wikipedia.org/wiki/Pork_barrel.
Gender and representation in outer islands

Issues of gender and representation are pervasive across the Pacific, which has the world’s lowest levels of women in parliaments (Fraenkel 2006) and includes five of the seven countries with no women MPs. Outer islands are, of course, reflect this same asymmetry. Looking at international averages, parliaments have 16 percent women; only 4.1 percent of Pacific parliamentarians are women (Fraenkel 2006). Even in countries where women’s participation in education and voting is high, and many top public servants are women, such disparities persist. “Although educational achievement and meritorious performance in the labor force have become increasingly important in determining who gets elected to parliament, recognition of women’s achievements in this respect has been much slower” (Fraenkel 2006:62).

In the Cook Islands, women in Parliament went from one in 2012 to the current six (2020), including one minister. In subnational contexts and on outer islands, however, women face real obstacles getting elected, where “gender roles are stricter and women have less opportunity to participate in decision making and in local governance bodies, so their capacity to influence how resources are used is limited ...” (Braun 2012, 8).

Little or no data on women’s representation on outer islands have been compiled, and almost no analysis of reasons for women’s low representation develops an outer island perspective. Low representation is low everywhere there is not compulsory list-based quotas (i.e., all of the Pacific except French special collectivities). Low representation does not appear to be limited to less centralized or more fragmented island states; it is as low in Tonga and Solomon Islands. But there are plausible links between personalized patrimonial and centralized government and gender representation.

Low representation of women would be expected where local and national political relations are strongly personalized and (neo) patrimonial or based on national-list processes requiring candidates to have cross-archipelago prominence (and central patronage to boot). In such situations, women’s progression to higher levels of representation will depend on either highly exceptional personal achievement (Spark et al. 2018) or patronage, and gender relations often heavily constrain cross-sex patronage. To get elected in such a system, women require female patrons already in the system at high levels. In their absence, patriarchy reproduces itself at all levels of scale. Outer islands seem highly likely to be sites of just this process; overcoming both outer island status and patrimonialized gender barriers in both periphery and center looks particularly daunting for politically aspirant outer Island women.

However, matrilinearity (maternal preference in property rights and inheritance) and a level of matriarchy (wider political power held by women) persist on some Pacific outer islands. This has been incorporated into modern electoral systems, resulting in more women elected – at least in local politics. Bougainville and the islands off Milne Bay in PNG are significant examples. Beyond this, even authoritarian regimes can expand women’s representation as they seek to become legitimate in ways that avoid allowing opposition political development (Lorch and Bunk 2016). This kind of gender-representative tokenism – designed to get women’s votes without ceding real power – is not unknown in Pacific politics.

The impact of this representation on smaller islands (and vice-versa) has not yet been well studied. However, it can perhaps be read in microcosm from island state national politics, where women’s under-representation contributes to neglect of important issues, including “equality, education, women’s relatively poor economic position, childcare, violence against women and integration of gender into the issues of employment and pay” (Devlin and Elgie 2008).

Improving these outcomes demands structural change, particularly in electoral systems and laws. Countries (French Polynesia, New Caledonia) with list-based proportional representation (PR) systems and electoral laws focused on supporting women’s election (through quotas
linked to the PR) fare better, but overall the picture is of grotesque and stubborn inequality (Fraenkel 2006: 60). Where party systems are weak, as in Western Melanesia, reserved seats are the most likely mechanism for increasing women’s representation. Creating these systems in fragmented political contexts will require focused action and may be easier in more centralized contexts. But the experiences of French Polynesia and Bougainville (at least at very local level so far) point to the possibilities for greater representation for women.

Reach of the state: Strong central dependence and alignment or ‘Areas of Limited Statehood’

Outer islands’ development depends heavily on various links to external economies: Aid and Bureaucracy, resource rents, Migration and Remittances, basic transport infrastructure enabling tourism and trade. It is common for small states to have both more open economies and larger than average public sectors to manage and mitigate exposure to their consequences (Rodrik 1998). But outer islands’ share of public sector largesse depends not so much on their ability to allocate public servants to market-enabling tasks, but on central political commitment to (or entrepreneurialism in) resourcing these locations beyond population norms.

Major sectors (health, education) may well be fully supported in outer islands; however, the presence of law and justice, treasury, environmental management and other state functions may all depend heavily on special leverage or historical happenstance. Such leverage is often available for a range of political and strategic reasons, including the skills of ‘pork-barrel’ and coalition-joining politicians and the metropolitan need to occupy and maintain extended economic and security zones. Personal biographies matter: a single public official, located for a long time in a remote outer island, can have huge impacts in terms of the continuous, visual, and practical presence of the state. In contrast to that stable presence, elected MPs and their crony administrators might come and go, with a flurry of short-term projects but highly variable long-term effects. In other places, for the same personal and biographical reasons, the services and state presence that might be expected or seem essential is simply not there. Even in the most remote Pacific contexts, state presence means more than a flag – but how much more varies considerably.

High central dependence (and integration) contexts

Outer islands are especially likely to exhibit the institutionalization of governance arrangements that reflect their heavy dependency – and, in turn, the dependency of the wider island state economy – on one-way transfers in the form of aid, resource, and strategic geopolitical rents (rents available to all recognized countries or subnational units). Here again, outer islands reveal exaggerated MIRAB characteristics common to the wider Pacific islands. Their political advantages often translate into added (often deconcentrated) Bureaucracy handling Aid projects of disproportionate significance that enable interisland Migration.

However, centralized control over these rents – and the limited contribution own-source revenues and local accountabilities bring to services delivery – can mean that outer islands receive at best residual service, subject to central re-allocation and heavy fluctuations in expenditures, their timing, available services and staffing levels as resource prices and aid receipts shift (Barma et al. 2012: 197). There will be disjunctures, too, between capital and recurrent budgets, once again exacerbated as parliamentary representation and its ability to allocate rents to projects strengthens and weakens based on individual MPs’ strengths and coalition making/rent procuring skills.

18 ‘In a 2005 report titled “Beijing Betrayed,” compiled by the Women’s Environmental and Development Organization, six Pacific island countries – FSM, Nauru, Palau, Solomon Islands, Tonga, and Tuvalu – were listed among the “dirty dozen” countries with no women members of parliament (Fraenkel 2006, 60). PNG joined that list in the 2017 election.'
In many Pacific situations, such dependency motivates a stronger affirmation of state allegiance and alignment with central state mandates, rules, and institutions. In Tonga, for example, strong allegiance and strong presence characterize a powerful and longstanding reach of the state that emerged from post-colonial monarchical allegiances as well as modern political and development programming. Allegiance to the king is powerful in outer island Tonga, symbolically and in terms of state authority. Royal and feudal landholding is still expressed in the outer island context by locally present nobles and the need for their symbolic and legal signoff on land transactions. Government roles on outer islands (governors, government representatives, district officers, town officers) are long-standing, well-established, and shaped by clear expectations, including a hierarchy of interrelations. National ministries (and aid donors, sometimes drawn in by MPs) are still seen as core, state-delivered responsibilities. Longstanding institutional structures continue to be durable, albeit with the roles of political actors less clear, more unstable. Contemporary ideologies of national unity and patriotism (Mate Ma Tonga) are significant expressions of desire for “territorial” state presence as well as ethnic and practical everyday unity.

Despite long distances, national integration of outer islands is also politically influenced, or even driven, by interisland group rivalry, the expansion of economic zones, possible geopolitical concerns, simple development and proximity issues (e.g., in Niuas), and internal interisland (and international) pathways for trade and tourism (e.g., in Vavau). All of these factors can (and in Tonga do) draw the state into outer island contexts, often through projects linked to transport and infrastructure. The Tongan experience also shows how donors can be recruited to the task of securing stable support for outer island infrastructure and other development, simply by allocating particular outer islands to particular donors and allowing the donors themselves an active and visible role in ensuring high quality projects and programs.

**Areas of Limited Statehood**

Tonga represents only one Pacific paradigm. In other locations, where special resources are not available, outer islands can be much more vulnerable. This is especially the case when – for whatever reason – the state withdraws its presence – for example, in much of Melanesia during the 1990s and 2000s. The result is that the state, its regulations, and its services can be a long way off in parts of Melanesia and remoter Polynesia and Micronesia. In such situations, outer islands are only nominally a part of wider state structures and presence. Many are best described as Areas of Limited Statehood (ALS), where the reach of the state is so restricted that it makes little practical difference to everyday lives and to such crucial factors as law and justice. In a stricter definition, ALS means “a country’s central authority (government) lacks the ability to implement and enforce rules and decisions and/or lacks the legitimate monopoly over the means of violence” (Risse and Stollenwerk 2018).

Areas of Limited Statehood⁹ cannot be regarded simply as places with a deficit in governance; as Korf et al. note, “ALS are not ungoverned spaces, but ‘differently’ governed” (Korf et al. 2018: 167). In other words, government takes on non-standard, often hybrid forms in an ALS, with much local variation; however, it can be read both in terms of custom and such modern concepts as rule of law and governance. ALS governance is “Janus-faced” (Swyngedouw 2005), aiming to be recognizable in relation to the modern state (should it arrive) but also drawing on and combining traditional and local authority (e.g., church, school, policing). Existing ALS research focuses primarily on places where the rule of law is not being widely enforced by central state machinery (in the Pacific, mining enclaves, sites of resource grievance, such as areas of Bougainville and the PNG Highlands) and urban settlements (Craig and Porter 2018a, Craig, Porter, and Hukula 2016). However, the ALS concept is certainly relevant when extended to the Pacific’s remote outer islands.

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⁹ Korf et al. (2018: 167) note that ALS spaces are usually understood as “domains where state capacities to control the means of violence are regarded as either weak, privatized or non-existent.”
The retreat of the state might mean that local, kin and clan, or church-based arrangements will emerge as fallback mechanisms, sometimes expanding their activities in certain areas and functions – from health and education to social and other regulation, law and justice, and sometimes resource management. Churches often relatively perform well in such contexts, partly because their funding arrangements are more plural (and some are very locally based) and not usually subject to quite the same feast-and-famine fluctuations as state programs. This means the churches can maintain at least a modicum of services where a state agency might simply close.

What McDougall describes in looking at the relative absence of the state in the outer Solomon Islands may be best understood as both a contemporary reaffirmation of customary relations and practice and an expression of strong desires for state presence, based on collective memory and imitation of what the state did or on millennial imagination of what it should do. Those able to claim chiefly authority extend its traditional mandates these to include various functions formally ascribed to the nation state, drawing on forms of government going back to indirect rule. Later, the state may well choose in many situations to recognize and affirm these, and even resource them: for a time, irregularly, or over years (McDougall 2015).

What emerges is by no means a simple reversion to custom or an opportunity for private contributions. Rather, the retreat of the state – because of the ways it happens – can leave behind a number of different elements that endure for long periods. State withdrawal is often gradual, or it might happen in fluctuations in resources, where new money flows are followed by funding famines, or in projects that are started and discontinued. Some elements of the state might persist. The generator or water supply at the health clinic may have broken down, but health workers stay on until their unmaintained housing is uninhabitable. When they leave, they might bequeath a role to an untrained local, who will occupy the empty shell the state left behind.

Elected local government starved of regular resources can become largely an honorary affair; yet former committee, role, or office holders tend to cling on to the authority they once had officially. Somewhat ironically, then, places where the state has faded can have a surfeit of local authority, often making multiple competing claims, many of which the state is never going to recognize or resource again. Donors arriving with project largesse should engage these ALS structures very carefully (Craig and Porter 2018b), making sure not to heap unrealistic expectations on them or harm their ability to govern the day-to-day issues that emerge.

Law and justice systems in locations of state withdrawal do draw on traditional authority, but they also reflect a nostalgia for the state and a desire to import strong authoritative forms of governance. Writing about the outer Solomons, Dinnen notes that “there has been an unambiguous retreat of formal justice, policing, and local governance provision, [but also] widespread popular perceptions that the state has withdrawn its support to local kastom authorities” (Dinnen 2015, 3). “Rural communities are conscious of the growing limitations of their local (non-state) institutions in light of new types of conflict stresses; and see a legitimate and singular role for aspects of what might be characterized as a Weberian state.” There is a strong preference for international over local policing and a resurgence of a kind of state building that involves “widespread enactment of local ‘constitutions’ and ‘by-laws’, and other forms of mimicry intended, in large part, to render communities more legible in order to attract the state and other external actors” (Dinnen 2015, 3).

20 “Focusing on institutions of chiefly authority in Ranongga (in Solomon Islands’ Western Province) … while such non-state forms of governance did help to maintain social order in a time of national crisis and economic collapse, they should not be understood as autonomous systems that have retained their identity against external disturbances. To the contrary, like other neo-traditional institutions of governance, chiefs’ committees have emerged out of institutions of colonial indirect rule. Contemporary frustration about the state’s absence and weakness paradoxically highlights the importance of the state in ordinary communities.”
In other locations, including southern Bougainville, limited state presence has allowed significant new hybrid forms of leadership and even ‘statehood’ to emerge, with charismatic leaders presenting themselves as the legitimate, perhaps divinely providential authority in a particular location, backed not just by a social license but by prophetic or apostolic anointing. The claims and legitimacy of this kind of statehood can be supported by appropriations of the formal paraphernalia of the state (e.g., a flag) and even issuing local currency and citizen documentation. In addition, there may be claims to sovereignty over resources, enabling licensing of resource-related activities, including mining or fishing. Less dramatic forms of this hybridity – and their implications for gender issues – are considered in Section 3.

Even without messianic religion, outer islands with limited state seem to attract the kinds of fly-by-night entrepreneurs and con men all too familiar in the Pacific, itinerant operators claiming to offer international opportunities but often disappearing under financial or environmental mismanagement clouds. We will meet these folks again in Section 4.

**Emergence of hybrid or adaptive governing arrangements, and the spread of Constituency Development Funds**

The political economy of Pacific outer islands is powerfully affected by representation issues (Section 1) and by the various presences and absences of the state (Section 2). Fragmentation presents collective action challenges at all levels, solved in various ways across the pacific – from strong party systems to rent provision-based pacting. Another factor of great significance (and not just in Areas of Limited Statehood) are the ongoing mutations and adaptations characterizing post-colonial governing arrangements, and their potential to create viable forms of local government to which authority can be delegated (or at least articulated). In the decades following independence and reconstitution of former colonial relations, diverse, often hybrid political and institutional forms continued to emerge, each with crucial strengths and weaknesses. Adaptation shows some helpful flexibility, but there is no guarantee these adaptations will all be positive. Particularly in contexts characterized by high fragmentation and presence of natural resources, ongoing hybridization and adaptation may well produce unintended, harmful results.

**Variation and hybridity in Pacific governance**

The Pacific region has always exhibited considerable variation in governing practices. For example, ethnographers have drawn both broad and particular distinctions between hierarchical and rigid Polynesian authority and entrepreneurial, non-hereditary Melanesian bigman arrangements (Society des Oceaniestes 1978). Colonial governments variously imposed forms of direct and indirect rule, and local actors adopted and mimicked western political forms to maintain and bolster traditional authority.

The contemporary Pacific exhibits a wide and diverging set of political configurations (Fraenkel 2013) – from (now hybrid) monarchy (Tonga) to (also hybrid) traditional/dominant party (e.g., Samoa), presidential federation to Westminster, military dictatorship, combinations of indigenous kings and colonial appointees … all contesting a wide variety of voting systems (Fraenkel and Grofman 2005). And political structures continue to change and adapt; even rigid forms of post-colonial adaptive government (such as Tonga’s absolute monarchy) have been relatively recently transformed into unique hybrids.

Even if Pacific traditions can and do bolster, legitimate, or undermine modern forms of political or sovereign authority, there is simply no “pure” tradition or “true” Polynesian, Melanesian, Tongan, Kiribati, or other governing modality authority to fall back on, either for nation states or outer islands. Across the Pacific, governance and politics are characterized by a multiple, still-evolving, “muddling through” (Hegarty 2013) mix of tradition and modern or imported forms of political representation, authority, and governance (Fraenkel 2013, Hassell 2010). The most remote island or village has had the meanings of its customary arrangements transformed by
the presence (however remote) of the nation state and its (however limited) reach. Yet from a policy perspective, these changes remain barely understood.

Some of these emerging relations produce stronger states with better capabilities for reaching out in outer island contexts. Taking the familiar adage that quality of governance matters more in small states (Brautigam and Woolcock 2001: 1-2)21 one step further, outer islands are even more immediately vulnerable to poor governance and to the unintended consequences of adaptation or reform. For example, the outer island effects of failed local regulation of resources or a major failure in, say, transportation and tourism infrastructure are potentially more damaging and harder to redress, not least because these matters have such disproportionate significance to local economies and social relations.

**Tradition and hybridity**

Tradition does persist strongly in many outer island contexts, often working in close relation to state forms; yet there is no universal rule that outer islands tend to be more oriented than central or national entities to traditional modes. Indeed, what is striking and important about tradition in the Pacific (and neo-tradition, in terms of the roles of Christian frameworks) is the ways it can be a crucial force in central and modern government at all scales – from outer island to central. Locals can use tradition to make claims of local standing and entitlement; central level can use tradition to bind lower levels into nationwide activities and forms of government.

The effectiveness of tradition across various levels in the Pacific strongly reinforces the overall hybridity of outer island political and institutional arrangements. Tradition was always and remains a crucial and indispensable element in outer islands’ political identities (officials claiming chiefly or other status for legitimacy) and gendered politics. Tradition creates social mandates for resources, promoting the inclusion of key traditional actors and exacting considerable rents for their traditional endorsements (Akin 2013). Even day-to-day activities – such as opening facilities, initiating of annual cycles of work or individual workshop activities – require legitimation through prayer and participation by traditional leaders or church pastors, along with traditionally prepared food. In the course of this, local customs become re-contextualized and start to adopt characteristics of modern and international practice – becoming, effectively, adapted or hybrid institutional arrangements (Clements et al. 2007: 45).

**Pacific/outer islands neopatrimonialism**

This kind of symbiosis between tradition and modern state activities means that Pacific governance has strong hybridizing or neopatrimonial tendencies at all levels. Modern leadership is always alloyed in some way with the traditional, reinforcing features of neopatrimonial governance recognized elsewhere.

Neopatrimonialism is simply defined as a “form of organization in which relationships of a broadly patrimonial type pervade a political and administrative system which is formally constructed on rational-legal lines” (Clapham 1985: 48; Therkildsen 2005). Everyday practice is observable as the simultaneous “operation of the two Weberian ideal types of patrimonial and rational-legal domination, whereby informal, particularistic politics … pervade formal state institutions. The separation between the public and the private realm, which stands at the basis of the ‘modern’ conception of the state, is abrogated” (Von Soest 2006: 7). This is not to suppose a schism between a “traditional” system and a “rational” one; at each point, traditional actors are likely to be acting in very rational ways, using the knowledge, resources, and forms of capital they have to advance their causes.

21 “However, precisely because small countries are more vulnerable, the quality of their institutions matters even more than it does in large countries. Put another way, high quality institutions in small states matters more in terms of managing already high levels of globalization (i.e. helping to sustain high growth rates and low growth volatility) than in attaining additional levels of global integration. We show that small countries with high quality institutions of conflict management and state capacity have less growth volatility, and that those with stronger state capacity in particular are more likely to enjoy higher rates of economic growth.”

David Craig
What happens in Pacific (and perhaps other) neopatrimonial arrangements is not so much the abrogation of the separation between public and private as the elaboration of this separation, with strategic deployment in highly context-dependent ways. Tradition is elaborated and recast; what was tradition or custom becomes hybrid kastom (Akin 2013), an institutional modality able to look both backwards (to tradition) and forwards (to modern state forms). Politics, governance, and law become activities where tradition and patrimonial links play – but necessarily within and around formal state framings and laws and within an ethos that still nominally subscribes to the separation of public and private (Forsyth 2009).

There is no simple personalization (or depersonalization), for example, of the relation between a local kin leader, a logging company, or national public servants, whether based locally or at higher levels. Rather, particular local histories and relations get translated into other legal or regulatory contexts across various levels of scale. Courts or their local hybrid equivalent must rule on these complex contexts, and government agencies must be able to enforce these rulings, even in ALS settings. These kinds of complications make resource management, for example, an almost impossible challenge in many remote Pacific locations (Allen 2018). The extent to which these kinds of political and institutional formations are viable as organizations to which authority and resources can be reliably delegated varies enormously (Fukuyama 2011, 81).

Clements et al. (2007: 45-47) describe what happens under such hybridization: “individual security is neither guaranteed by the state nor by traditional mechanisms, and individuals and groups find themselves caught between tradition and modernity without conventions or institutions to guide appropriate economic, political or social behavior.” This “can be viewed both positively and negatively. The articulation of tradition and custom can generate a strong sense of continuity, trust, and order in complex social systems. Negatively, tradition can also be used as a justification for practices which are reactionary and negative for groups such as women and youth. Custom is sometimes used to justify patriarchy and patterns of domestic violence, for example, and may also be used to negate the positive contribution of youth in cultures which venerate age.”

In some situations, local clientelist or neopatrimonial arrangements can produce better outcomes than a simply secular state. This was demonstrated by the transformation of elaborate, matrilineal cultures in PNG’s East New Britain and Milne Bay into provincial governments, especially during the reconstruction following the Rabaul volcano (Rynkiewich and Seib 2000: 18-22). In Milne Bay, traditional notions of respect have been translated into punctual attendance at meetings and wider participation of local women in decision-making and implementation. Political representation is stable and widely regarded as effective. These remote, island-including provinces have become places where the presence of the state is palpable and (largely) predictable, with exceptions and caveats (described in Section 4).

In Samoa, matai status has been flexibly adapted to reach into a range of state and governance contexts, locally and internationally (Tcherkézoff 2000). In addition to a proliferation of matai titles, there has been an expansion of the population (including women) able to access them and their associated rights (including the right to vote). The means of accessing this kind of power have also been made more elaborate (MacPherson 1988). Some view this as a form of corruption (Tuimaleali’ifano 2006); others see it as highly adaptive and promoting of political stability (So’o

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22 “National and global capitalism has not succeeded in trumping traditional economies, and representative democratic institutions have not completely replaced customary or traditional rules and rulers. On the contrary, there has been a ‘radical’ reassertion of tradition and the importance of a relatively undifferentiated approach to social, economic and political organization in a variety of high and low context cultures.

23 “In ENB [East New Britain] there is clearly a larger stock of social capital than is the case in EHP [Eastern Highlands Province] thus politics in ENB is characterized by ‘issues’ rather than by ‘patron-client’ relationships which predominate in EHP. In ENB a broad consensus across ethnic lines favors effective government whereas in EHP the multiplicity

24 The first part of the title is a play on the traditional saying, O le a la i le pule, o le tautua (“The path to power is through service).”
1996 2006). Tongan incorporation of monarchy and nobles into wider constitutional frameworks has also produced interesting (and in some cases highly positive) outcomes in recent years.

The outcomes are diverse and highly context-specific. The hybridization of traditional and bureaucratic, legal-rational governing modes has also reinforced existing power structures, often leading to political and economic exclusion of women and youths. Monson (2015) shows how formal registration of customary land has concentrated its control under local bigmen, who are now listed as trustees of the land in a context where Solomon Islands law allows only five trustees per trust. This has enabled some of these actors to sell the land to outsiders without consultation or sharing revenues.

**Neopatrimonialism in fragmented local contexts: the rise (and rise) of ‘provision pacts’ and neopatrons supporting constituency funds**

Like other forms of government, including liberal democracy, neopatrimonialism will inevitably benefit one group more than another. What matters, arguably, is just how large the asymmetries become and their outcomes for human development, conflict, and violence. Ethnic, geographical, and political fragmentation makes all this much harder to navigate. In ethnically fragmented outer island contexts, MPs’ alliances to particular clans or groups can be intense and highly determined by strong custom. Fragmentation of this intensity has a direct effect on the nature of neopatrimonial governance.

Potent factors can tip the balance from adaptive to exclusionary. However, negative asymmetries are likely to be more extensive where: (i) there are relatively large resource and other rents collected centrally but distributed locally and (ii) where central political pacting processes depend on this allocation of rents.

Resource rents are volatile. When these rents rise quickly, as they did recently around tuna fishing licenses in Kiribati, they will distort local/central relations in profound ways. Large resource rent windfalls give central governments the chance to enact large projects, such as buying ships or airplanes to service outer islands – selectively and not always sustainably. Central MPs can quickly gain access to or influence over large sums of money, bypassing local island councils and projecting capability through central government agencies and contractors to deliver. Money can arrive in peripheral locations irregularly, making subnational government periodically (and even long-term) dysfunctional (Barma et al. 2012: 197).

Where political pacting processes are distorted by significant resource rents, other institutions are likely to be reshaped, too, with significant impact on outer island services. One of the most common distortions occurs when, as part of the overall central pacting process, MPs are able to influence national leaders and even vote themselves a larger share of rent-filled central budgets to allocate as they choose – in short, Constituency Development Funds (CDFs). Given the risks to democratic functioning, it is worth walking through the steps from pacting to CDFs.

Pacting is crucial to any political process and organization. A form of pact will be required whether it is securing the numbers to form a government, aligning powerful interests behind a dictator, or building a national political party capable of winning elections and/or otherwise dominating governments. Pacts can have very different bases. Modern political parties often represent class interests – urban middle classes vs. rural landowners or large corporate interests. In the Eastern Pacific, dominant party pacts typically combine traditional rural and communal leadership with national developmental policies channeling money back to rural communities. Where parties are weak, however, as throughout Melanesia, pacts are typically based in centralized rent distribution by whoever is able to pull together enough of the independent MPs and small parties in Parliament.25

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25 For a wider view of political party weakness and affiliation in the Pacific that does not consider the role of rent provisioning, see Corbett (2015).
This type of arrangement is best described as a “provision pact” (Slater 2010) because it hangs on the provisioning of its members from available rents – especially from resource rents, which are collected and controlled centrally and can be allocated to support patronage in a range of ways. Where they dominate, provision pacts have a series of institutional outcomes that powerfully affect outer islands. The impacts are larger if these pacts are institutionalized in the form of CDFs and if these funds, along with other central rent distribution/pacting machinery like a national public investment program, occupy a large and growing share of the national budget.

Provision pacts are a comparatively weak and unstable basis for forming a government. Post-election negotiations surrounding the pact can be drawn out. They become the stages for literal vote buying (often using money obtained from abuse of office or percentages on projects subject to corrupt procurement processes) as well as the political allocation of revenues, resources, and discretion from all parts of the government and national budget. In provision pact contexts, MPs are highly unlikely to be held to account for their actions; such accountability itself could trigger withdrawal from the pact and the loss of confidence by the incumbent government. If sustained, however, provision pacts tend to exhaust national budgets while committing money to typically low quality, politically visible local projects, with capital investment not supported by ongoing maintenance.

If there is a rent-susceptible Westminster system in place, MPs have strong incentives to stage multiple confidence votes because each vote will render them further rents. Longer-term political and policy stability suffers. Over time, there is a powerful likelihood that MPs will continue to grow and institutionalize political rents though expansion such arrangements as CDFs, with transfers prioritized and verticalized in ways that protect funds from other levels of government. In addition, they will develop local authorities with a disjunctive relationship with other government services and entities, effectively controlled, or at least heavily influenced, by the MPs. This has been the situation emerging in much of Melanesia, with PNG as the extreme case of its institutionalization. It now seems possible that this modality might spread across the wider Pacific region. If it does, outer islands will find themselves in a very different political economy.

The implications of politician-controlled constituency funds for outer islands

Of all the hybrid institutional developments in subnational governance and political economy relevant to outer islands, the emergence and spread of funds allocated to politicians to spend at their own discretion is potentially the most significant. These funds have a notorious history, institutionalizing political rents and becoming a central mechanism in provision pacting as well as producing and re-producing unaccountable, wasteful, and frequently corrupt expenditures at local levels (Baskin and Mezey 2014). On the other hand, politicians love to fund them, and usually present them as mechanisms for delivering services in ways that bypass corrupt and ineffective subnational governing arrangements. Thus their ongoing growth (Figure 6.4).

The funds go by a number of names: they are Constituency Development Funds in Solomon Islands, Service Improvement Program grants in PNG, and “the allocations for members” in Vanuatu (Fraenkel 2011). The term constituency development funds is widely used in the African contexts where the funds are found – Kenya, Tanzania, Ghana, and Zambia. The funds vary in size from Vanuatu annual allocations of around US$130,000 to PNG’s US 3 million to US$5 million per year. These funds are substantial as shares of the overall budget and by comparison with countries outside the region; Kenya’s Constituency Development Funds, for example, total around US$850,000 per year. Once they are established, their growth appears relentless. PNG’s funds went from US$3,000 per year in 1984 to US$5 Million in 2016. Looking at another comparison, Kenya’s funds went from US$45,000 in 2003 to US$ 850,000 in 2018. In terms of share of public expenditures, Solomon Islands various MP-controlled constituency funds amount to 12 percent of the overall budget, the highest proportion globally (Batley 2015, Craig and Porter 2014).
In the Pacific, CDFs appear to be a particularly Melanesian phenomenon, fitting in various ways with a bigman style of politics. However, the CDF phenomenon is also exacerbated by ethnic and geographical fragmentation and challenges to projecting state capabilities into remote locations. The necessary but by no means sufficient conditions for CDF emergence appear to be patrimonialism, fragmentation, and clientelism in the absence of strong party structures and list-proportional representation. Parliamentary governments susceptible to confidence votes are exceptionally vulnerable to MPs demands for discretionary funds, and the subsequent rapid and spectacular increases in CDF scale. Factors that promoting CDFs appear present in other Pacific states, too (Hassell 2010), and outer islands seem to provide a secure power base for MPs complaining of central neglect to promote CDFs.

Where neopatrimonial hybridization happens in the Pacific, it can be expected that some places will open the door for CDFs. Vanuatu for a long time resisted CDFs in name, but MPs’ “constituency allowances” and “responsibility allowances” have grown to where they function as CDFs. Despite having a dominant party polity, Tonga has become the latest Pacific state to try out CDFs, with highly predictable yet controversial outcomes (Tonga Broadcasting Corporation 2016). Tonga’s funds are so far small, but they are significant enough for Tonga’s noble MPs to have sought and secured access to them, too.

Some Pacific polities seem relatively immune. Fiji’s highly centralized list-based system allocates all the political rents to powerful parties. Even in Fiji, however, MPs seeking to be agents of change in contexts where services are scarce will be tempted to support CDF-style allocations. Outer islands’ MPs can be expected to have strong incentives to support them, “arguing that they foster direct relationships with MPs that go some way to connecting an increasingly inaccessible and otherwise absent state to communities” (Barbara 2016).

CDFs have a number of qualities that render them particularly perilous in Pacific outer island contexts, especially as they grow to extraordinary scale, occupying central government positions and spending scarce resources allocated to services delivery. The larger the CDFs grow, the more they deprive other, more traditional modes better linked to recurrent budgets, staffing, and maintenance. The CDF funding scheme seems to grow most rapidly where politics are fragmented and susceptible to Westminster confidence votes and individual politicians already have cultural roles as patrons distributing projects through trusted allies. Over time, they can “undermine already weak formal states and narrow the development possibilities open to Melanesian societies. They privilege localized forms of development (solar panels, water tanks, outboard motors, school fees) over scaled, productivity enhancing national investments (transport and communications infrastructure, health and education) which are more likely to

![Figure 6.4: The rise and rise of Constituency Development Funds: Solomon Islands](image)

underpin transformational development” (Barbara 2016). They fuse legislative and executive powers, undermining important checks and balances, and clientelize branches of subnational government, especially where MPs hire associates as project officers and consultants or draw senior local officials into cliental relationships and away from daily administration.

Outer islands, however, will be especially vulnerable to the shortcomings of CDFs. These islands depend on systematic central allocations and can be easily neglected when discretionary patronage dominates. CDF organizational cultures, which tend to hive around the MPs themselves, are of uneven patronage and dubious decision-making based on highly localized and personalized knowledge. In this regard, CDF cultures heavily favor males, who are able to join the MPs’ (overwhelmingly male) entourage and be available 24/7. Women’s business networks are very capable of framing the kinds of proposals for projects that besiege CDF MPs, but getting access to the MP or those close to him is also likely to be based on prior networks or relationships.

Practically, limited state presence will mean that MPs’ allocations will not be subject to necessary levels of scrutiny, and local spending will be skewed toward politically conspicuous projects targeted at likely or loyal supporters (Dinnen 2015). Technical and sectoral expertise will not necessarily be deployed, or even welcome, in its attention to the actual qualities of what gets built. Indeed, MPs typically feel empowered well beyond their expertise when it comes to allocating these funds. Even without CDFs, rural and outer island electorates are likely to be studied with various attempts at local economic development, such as rural growth centers or social and economic hubs that often turn out to be nothing more than a consultant’s written plan, an all-purpose building, or even a solitary water tank in a village.

Resource management: ‘scale wars’ and outer island regulatory capability

One area where outer islands political economy has extraordinary significance is the governance of natural resources and the extractive industries that harvest them. All the issues of representation, limited state reach/Areas of Limited Statehood, and hybrid/neopatrimonial local governance come into full play, and their implications for developmental outcomes become patent.

Power relations in resource extraction contexts are highly asymmetric. As Venner (2008) puts it, local interests typically possess “limited scope and capacity for negotiating with larger states and private sector entities.” In contrast, mining or timber companies are major contributors to the national-resources rent economy managed in the capital. They likely to have strong central political and executive links and powerful mechanisms for securing access to resources. They also have vast international experience and access to political leaders and legal machinery at crucial points, giving them a huge advantage in securing operations on their terms. On the other hand, local outer island social organization is likely to be dominated by evolving governmental forms, hybridizing from a segmented lineage base (Fukuyama 2008). Such is the basis of Melanesian wantokism, a flexible and evolving system that ably provides social regulation locally but is less capable at larger scale. As Fukuyama (2008, 6) puts it, “When a wantok goes up against a Malaysian logging company, the logging company wins: it is too easy to bribe a chief into giving away land that is not really his, and the kin group cannot organize to enforce collective decisions on land use.”

At every stage of the resource-extraction cycle, from prospecting and securing licenses to clean-up after a mine has finished, locals struggle to access, understand, and express their

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26 “[Also] reflected in and reinforced by the institutionalization of CDFs is the parochial character of voting behaviour in Solomons first-past-the-post electoral system.” As a recent analysis concluded, “MPs are judged on how well they deliver private goods or localised public goods to their constituents” (Wood 2014:16). In concert, the elimination of local government through the abolition of Area Councils, the weakness of the provincial government system and the progressive entrenchment of patronage politics largely explain the parlous condition of administrative service delivery in Solomon Islands today.”
interests in relation to the company and the government regulatory authorities – even in local processes. Locals are at a huge disadvantage to extractors and their central agency regulators in matters as practical as measuring the actual cubic meters of resources being extracted, let alone the securing of royalties and revenues, with their potentially disruptive and asymmetric distribution locally. Local forms of organization, such as landowner organizations, and benefit-sharing arrangements can be brought to crisis by disputes between local, provincial, national scales, especially where extractors deliberately use divide-and-rule tactics, setting up one set of landowners or resource claimants against another.

‘Scale wars,’ representational contest, and regulation of resources

Understanding the dynamics of these complex relations requires a political economy analysis much more developed than what was been applied to these settings in the past. In this section, the analysis relies heavily on the framings developed by Matt Allen for understanding the roles different spatial scales of political and institutional organization play in relation to governing resource extraction. Writing in relation to Melanesian resource enclaves, especially mining in Bougainville and Solomon Islands, Allen (2011, 2016, 2017, 2018a, 2018b) built on Banks (2008) and Hamieri (2015) in describing how resources are at every point subject to contest and governance at various levels of scale – national, subnational, island, village. No single level of scale is able to dominate and exclude the others.

Allen’s description of spatial and scale dimensions of conflict and regulation is compelling. As is the case in all contexts, natural resource extraction requires institutional compromises between actors and interests at different scales (from the local to the global) in relation to the distribution of the costs and benefits of extraction (Huber and Emel 2009). In the Solomon Islands context of customary landownership, and sub-national island governments (i.e. provinces) with corresponding island-scale ethnic identities, the local and provincial scales become critical components of these institutional compromises. Where institutional arrangements fail to accommodate the intense ‘politics of scale’ that can ensnare large-scale resource extraction (and the commodification of customary land more broadly), as well as the pernicious local disputes that are generated by these activities, violence may ensue, as it did in the case of the so-called ‘Ethnic Tension’ that gripped Solomon Islands from late 1998 to mid-2003.

Violence flows not just from dominant exploitation from center to periphery but also from local fragmentation and contention (or forms of horizontal violence between different groups of locally conflicted actors). The pacting opportunities presented to resolve these issues (courts, elections, community consultations, and forums) are themselves sites of contest between actors from different levels of scale – places where, for example, a logging or mining company seeking local consent will always be in an asymmetric power relation with locals organized in families, villages, and islands.

In these “politics of scale” or “scale wars,” some levels of scale (and some geographical territories) have advantages over others; and here, islands are significant. Writing in relation to the current tensions in the PNG Highlands, Allen argues that outer island contexts are “particularly potent spaces for the contentious politics that attend [resource] enclave economies.”27 They are an especially effective level of scale for various interests to cohere around, for governance and revenues to contested, and for the processes of accumulation, dispossession, and resistance to be enacted. “Put simply, territory and scale can be co-produced in islands in ways they

cannot in mainland settings.\textsuperscript{28} Allen (2018b) points to the history of the Bougainville civil war\textsuperscript{29} as illustrating this condition in some ways. At the same time, he recognizes that there is no necessary or permanent advantage in contests at the outer island level:

“… the island has been an ephemeral and elusive scale for collective action: it has only emerged at particular moments and conjunctures, and it competes with forces that constantly work to fracture it, not least of which in the context of Melanesian resource extraction is another relatively recently produced scale of contestation: customary landownership.”

The conflict on Bougainville island certainly provided evidence for both the importance of the island as a territorial scale and for the fact that outer island resource conflicts could involve and exacerbate fragmentation at every level, even within villages and families, and render customary governance useless or even a provoking factor (Regan 1998).

Like neopatrimonial arrangements, scale wars on outer islands play out in highly context-dependent ways, involving multiple actors at different levels of scale, all contriving to co-opt and manipulate local landowners. What can emerge is a version of the two-way dialectic proposed in Section 1. On one hand, urban primacy means central authorities play a huge role in outer island political economy. One the other, outer islands remain highly important sites where the central and national political economy plays out in resource-management issues, with the contrivance of subnational governments as needed.\textsuperscript{30}

The very recent – indeed, still unfinished – case of Woodlark Island shows a highly asymmetric central-local dynamic in action in a particularly remote outer island setting (Box 6.5). The case was clearly exacerbated by remoteness – the loggers and investor were able to manipulate locals and present their version of proceedings without local redress. In addition, the locals were left feeling that the state itself was not providing services available on the mainland. The failings, however, were not in the main at the local level; rather, it was the contrivance of national officials with developers that meant local processes could simply be manipulated. This is a common Pacific story. The 2013 inquiry into PNG’s Special Agricultural and Business Lease arrangements (Numapo 2013: 236) describes these in case-by-case detail, concluding that there were:

“...numerous instances of incompetence, failure, inaction and lack of commitment by officers of government agencies to properly and diligently carrying out their statutory functions. Legal requirements were deliberately breached and proper processes and procedures were either bypassed or simply ignored. We found a number of agencies to have been were reckless, careless and negligent in the discharge of their statutory functions.”

**Scale wars and local/customary regulation or resources**

Part of Allen’s contribution is to urge much closer, site-specific attention to the ways formal, post-colonial levels of scale – and the kinds of fragmented, hybrid arrangements described above – can and cannot manage local resource disputes. Allen also points to the gendered effects of local customary scale ownership in resource contest situations, noting that:

\textsuperscript{28} http://www.devpolicy.org/will-hela-be-the-next-bougainville-20180524/. Due to their unique geographic properties – their stark boundedness – islands have long been seen as paradigmatic settings for territorializing projects, including the nation state and subnational jurisdictions of various types. In the words of John Gillis, they are the “most clearly marked boundaries of all. ... The plantation experience, buttressed by the Christian missions and the colonial delineation of sub-national administrative units that were often coterminous with islands, united the culturally and linguistically heterogeneous populations of the large Melanesian islands in ways that were previously unknown. However, ethnic or indigenous claims to resource-rich territories have also been an important and analytically distinct feature of resource-related violence in Melanesia. This appears to be especially true when the territory or scale in question also happens to be a relatively large island; or, in other words, when it is possible for the scale of ethnicity/indigeneity to be coterminous with the territorial boundaries of an island.”

\textsuperscript{29} The Bougainville conflict and civil war went through several phases 1988-1998, in the course of which many thousands of Bougainvilleans were killed, making it the largest conflict in Oceania since World War 2. (Regan 1998)

\textsuperscript{30} As World Bank economist Robert Utz pointed out in responding to an earlier draft of this chapter, scale wars are not unique to resource contests; different levels of scale compete for authority and priority in many different kinds of development project, including infrastructure and tourism development.
“... it is the scale of customary landownership that has, in the first instance, been most productive of violence in the encounter with extractive industries as powerful individuals, invariably men, have captured economic benefits (such as rents, royalties and compensation payments) at the direct expense of other members of their landowning groups. These processes of exclusion have had salient gender and intergenerational dimensions, and, in the context of Melanesian socio-cultural norms of reciprocity and obligation, they have produced intense social disintegration and conflict” (Allen 2018a: 8).

It follows that addressing resource governance conflicts in outer islands – and those in urban settlements also at the edges of state reach (Craig and Porter 2018a) – will require a site-particular, gender-oriented settlement or compromise between the levels, something fraught with dangers and easily done badly. The devil is likely to be in the details and in the changing situation as mining operations start and royalties begin to flow. For example, it is often the case that “problems underplayed during deal making—such as intergroup conflict, domestic violence (exacerbated by disputes and royalty-funded drinking), sexual exploitation of women with very limited options, and child trafficking—often turn out to be much bigger than communities can handle” (World Bank 2017b: 54).
What Allen’s analysis points to are the ways tradition is available as a resource for local authority claims, which can be translated into higher-level grievances. At the same time, it can be highly disruptive (and less available) to higher levels of governmental scale seeking to intervene, or to impose and uphold formal resource governance regimes. In terms of scale wars, tradition might work better in making bottom up claims on the state (or in opting out of state-imposed obligations), than top down, imposing the national scale on the island or local group.

In Allen’s terms (2018: 1-28), it is the ability of these leaders to negotiate the tricky territories of scale that is crucial. In this hugely challenging area, Pacific outer islands are indeed a fraught context for would-be governors of resource extraction. As the Bougainville crisis makes clear, the effects of these contests are by no means limited to the outer islands themselves:

“... [in the] sustained and growing dominance of extractive industries, in concert with the highly contentious politics that they engender, [outer islands with resources should be seen] at the center of efforts to understand state formation, political reordering and the on-going negotiation of political settlements of various types throughout post-colonial Melanesia.”

Re-establishing hybrid state presence in outer island resource conflict contexts: an institutional experiment
Rennell Island is a raised, Polynesian coral outlier in Solomon Islands, 80 kilometers long and 14 kilometers wide, population 1,840, with the western part subject to heavy logging since 2006 and, more recently, bauxite mining. As Kiddle (2017) notes, “this extractive activity, and its various and often opaque enabling arrangements, has caused extensive divisions within the Rennellese population, both on-island and in Honiara. West Rennell has become highly fractured.” There are no police or courts on Bellona, Rennell’s smaller sister island; “getting justice for a crime or dealing with disputes can often take years, or in some cases are never addressed.”

The bauxite mining has seen regulatory scale wars with local situations being determined by “a convoluted series of decisions and overturned decisions at both national and provincial level, turbulence within the largely Honiara-based political provincial government, and court battles” (Kiddle 2017). This regulatory dysfunction has meant that on prime topsoil is being rapidly removed to access the bauxite, and not always being replaced, by “commercial players making their own rules and getting away with it” (Hughes and Tuhanuku 2015).

For the locals, income from resource revenues was paired with rising disputes over resource ownership and management (Solomon Islands Community Governance and Grievance Management Project 2017). Figure 6.5 shows how the presence of resource mining and logging in an outer island setting has had a very significant impact on conflict levels.

While one part of Rennell is being ravaged and divided by underregulated extractive (PROFIT) activity, East Rennell has tried, with limited success, to take the SITE tourism route to economic development after becoming a UNESCO world heritage site 1998. But efforts “to enshrine protection for East Rennell (in Solomon Islands regulatory frameworks) have not been completed. Solomon Islands passed the Protected Areas Act in 2010, but this hasn’t been applied to East Rennell. A provincial level ordinance was also drafted in 2009, but was not passed. Ultimately, East Rennell is self-managed by the area’s customary landowners.”

More recently, Rennell was also one of two pilot sites for an innovative engagement in outer islands social regulation. The World Bank/Solomon Islands Government (SIG) Community Governance and Grievance management program was designed to “help communities strengthen their internal governance, and to enhance the effectiveness of linkages between

communities and government” by building a “first line of contact” between villagers and the SIG. It did this by training and initially supporting community officers working with villagers on dispute resolution and making connections with a very limited state presence. Pilot activities were funded by Australian Aid resourcing, but the community officers’ salaries are paid by the provincial government from government budgets. The program has expanded to Malaita, another island, and will soon arrive on the main island, Guadalcanal.

Initial reports from the program suggest the range of local grievances is extensive (Figure 6.6), and that where people go to have conflicts resolved varies considerably between outer islands (Figure 6.7). They also show that community officers have valued roles as local points of resort. Core findings from the pilot evaluation show that “76% of people in project communities reported direct benefits from the project, 59% experienced improvements in the accessibility of community grievance management mechanisms, 77% experienced improvements in the effectiveness of community grievance management mechanisms, and 68% perceived improvements in linkages with government.”

Between the mining, the UNESCO heritage area, and the Community Governance and Grievance program, the Rennell and Bellona Province emerges as a place with resonance to the broader outer island contexts explored in this chapter. The limited reach of the state has profound effects on resource management capability. Scale wars dominate, with highly asymmetric outcomes for local social and resource regulation. Hybrid local arrangements struggle to deal with local disputes, let alone scale wars impositions. However, ongoing institutional innovation can happen as the dynamics involved are identified and addressed through policy engagements that recognize and build upon local capabilities and adaptations (Craig and Porter 2018a, 2016).

Conclusions

“In small economies, the social capital and ‘institutions’ emphasized in the recent development literature ... have to be understood as incorporating the ability to achieve and sustain community wide strategic consensus around a particular development specialization, along with sufficient flexibility to switch to alternatives as and when the field of opportunity of external opportunities changes.”

- Geoff Bertram and Bernard Poirine, “Island Political Economy” (2007)

Outer islands are by no means simply, ungoverned, or communal places out in the blue Pacific; nor are they simply peripheral to national or regional political economy. Instead, they are active and significant participants in the wider formation of the Pacific political economy, sites where the state and market’s reach may be uneven but where economic opportunities are assessed and engaged and boundaries, resources, and power are actively contested, using hybrid modalities and institutions that continue to diversify across the Pacific.

The major economic prospects of the Pacific – including fisheries, tourism, and strategic rents – depend on outer islands in a range of ways. The people living on these islands remain very active voyagers/travelers, senders of human labor and recipients of remittances, engaged in
wide-ranging information exchanges and positioning on diverse maps and vectors of tourism, global and regional political and environmental activism, and cultural exchange. A few of these remote islands are sites of economic exceptionalism; more are places where resource extraction and its often problematic impacts on communities, ecosystems, institutions. All are sites where the gendering of power is a crucial structuring factor in opportunity and institutions.

Yet it is clear that the various outer islands have very different experiences of government and state. Some are much more closely bound-in and reached-out-to than others by archipelago capitals. All are subject to powerful center-periphery dynamics (centripetal, centrifugal) in which their diverse status offers multiple advantages and disadvantages and the effects felt in the core are often amplified.

In the quote above, Bertram and Poirine describe the major challenge for outer islands’ political economy in terms of an adaptation that can build consensus and yet remain flexible and able to respond to challenging environments and changing opportunities. Examining outer islands’ actual political economy, institutions, and governance makes it clear that, like institutional development everywhere, these remote communities are likely to inherit complex and flawed systems and interact with them in ways that generate still more hybridization and unintended consequences. Out of this dynamic comes risks and opportunities (Table 6.3).

The outer islands’ dependence on central-island rent allocations (even for resources mined remotely), the often fragmented rural gerrymander and the hybridizing, personalized championing of neopatrons, the influence of external actors selectively engaging remote locations and using central powers to enable this – all of these aspects of their political economy cast outer islands in precarious situations for which we don’t have well developed frames of institutional analysis, prognosis, prescription. The challenges of scale wars, especially around natural resources, are all too obvious, but there will always be interacting and overlapping levels of scale at which all the complications will be contested – in courts, in elections, in other forums that outer islands will inevitably seek. In Pacific island contexts, however, there are many pitfalls, many different levels of scale and organization of institutions and politics that overlap or can easily be brought to cross purposes, if not to war. In these contexts, it can’t simply be assumed that all the changes are adaptive. Harm has been and is being done.

In all this, at least one thing remains clear for outer islanders – representation matters. Where the state will struggle to extend services or security, Pacific outer islands need to be able to articulate their concerns in national forums and do so in ways not highly dependent on the powers of exceptional individuals. Pacific experimentation with forms of electoral representation that provide more legitimacy and less fragmentation needs to continue, even as the unintended, sometimes perverse outcomes of previous reforms become clearer.

What could be more enabling, of course, would be laying out clear parameters for what institutional and public-sector capabilities would be needed to effectively impact livelihoods and services delivery. This should be based on the kind of analysis developed by Fukuyama (2011) and recognize the need for governments to overcome collective action challenges in central state consolidation and delegation while drawing civil society powerfully into pacts and processes. Fukuyama, who considers the specific characteristics of Melanesian states, views these capabilities as grounded in long, strong traditions of centralized power, going back before colonial rule. In Pacific contexts, this means the qualities of large-island Polynesia/Fiji and current dependencies backed by strong metropolitan states would become normative. Melanesia and Micronesia face deeper difficulties related to more profound fragmentation and greater requirements and costs for state consolidation and reach. Of course, it would be worthwhile to first determine exactly which state capabilities need strengthening; however, Fukuyama’s overall message is that long term, major change requires extraordinary commitments and resourcing – and, even then, it is difficult for anyone to maintain and direct.
While this chapter is by no means simply focused on international donor and World Bank needs, there are some lessons to be drawn for development agencies around outer island engagement.

The limited capabilities and scope of outer islands’ governance suggests development agencies should be highly aware of the potential of (by their standards) even small-scale interventions to create tensions and overload local governing systems. A simple power asymmetry arises in situations where any choice of local counterpart will rock local boats to a considerable extent, even for programs both donors and locals want to see implemented. In what is in fact a locally contested situation, it is obviously crucial that agency engagement does not do harm by pushing projects down a single line of communal authority, unaware of its choosing just one side of a divided community as counterparts (Craig and Porter 2018a).

<table>
<thead>
<tr>
<th>Outer island characteristics</th>
<th>Impact</th>
<th>Risks</th>
<th>Potential advantages or policy remedies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural gerrymander</td>
<td>Disproportionate representation of remote populations</td>
<td>Urban voters lack influence; rural development policies dominate, whether helpful or not</td>
<td>Presence of services beyond what population figures would prescribe; need to safeguard urban vote?</td>
</tr>
<tr>
<td>Exaggerated MIRAB dependence</td>
<td>State presence/absence is highly significant; mobility opportunities hugely significant; state subsidizes services (e.g., transport) it is not well equipped to provide</td>
<td>High-cost local production can’t compete; significant young populations lack economic opportunity, depending on labor mobility; state provision of services is ineffective/inefficient/unsustained</td>
<td>Lifestyles available that vastly exceed local resource potential</td>
</tr>
<tr>
<td>Area of Limited Statehood</td>
<td>Basic reach of the state inadequate; services and security suffer; resource extractors are empowered vis-à-vis locals</td>
<td>Key sectors are simply missing; law and justice issues long unresolved, especially related to resources; state legitimacy suffers; secessionism rises; poor resource management, inability to win scale wars</td>
<td>Locals resort to forum shopping in metropolis. Autonomy possibilities in some well-resourced locations.</td>
</tr>
<tr>
<td>Fragmented politics</td>
<td>MPs represent only a small part of constituency</td>
<td>High turnover of MPs, services not delivered to all</td>
<td>Outer island politicians join short-term coalitions from weak positions, or for personal rents; need for electoral innovation</td>
</tr>
<tr>
<td>Personalized politics</td>
<td>Weak party structures, individuals elected on local and personal bases</td>
<td>Patronage dominates; constituency development funds emerge and grow; confidence votes undermine political stability</td>
<td>Outer islands can provide a base for nationally significant political actors</td>
</tr>
<tr>
<td>Rapidly changing, hybrid neopatrimonial systems</td>
<td>Local governing arrangements combine traditional and modern status, authority, powers, procedures</td>
<td>Accountability may be highly variable; institutional hybridity/unclear property rights discourages investment</td>
<td>Can enhance legitimacy and ground state in modernized custom; locals retain some control over undeveloped land and resources</td>
</tr>
<tr>
<td>Scale wars (resource and other decisions affecting localities made elsewhere, beyond local participation)</td>
<td>Higher, central levels of governing scale dominate local actors</td>
<td>Decisions about resources and services are made elsewhere, with limited consultation, presented to locals as fait accompli</td>
<td>Local scales of resistance can thwart centrally empowered external actors; NGOs, multilaterals can support and upscale local action</td>
</tr>
</tbody>
</table>
In small local contexts of scarcity, projects and programs will struggle not to become abettors of very local boom-and-bust cycles and providers of aid rents that can be allocated in ways that create conflict. Today, development partner rivalry appears to be heading to new levels in the Pacific. This chapter has not considered the impact of this development beyond noting the high-risk convenience of some donors supporting Constituency Development Funds and channeling resources directly to politically crucial supporters. For example, the impact of rivalry on telecommunications as well as on access to resource and infrastructure (including military and communication bases) are all likely to be hugely significant to particular outer islands and to the status of outer islands in wider aid allocations and decisions. In addition, heavy donor competition is likely to concentrate resources and decision-making ever more at the center and leave the peripheries neglected – as demonstrated by the conspicuous rivalry during PNG’s hosting of the Asia-Pacific Economic Cooperation summit in 2018.

Development partner programming also needs to understand and, where appropriate, at least lean into or inform current trends. This chapter has suggested some areas likely to be important going forward in Pacific governance and institutions (and affecting outer islands in particular ways). Some significant areas holding potential contextual risk and possibility for wider dialogue include:

**Helping island states avoid the worst institutional aspects of resource and aid dependence.** There are risks in regulatory and institutional development possibilities centered on resources, especially situations and solutions that exacerbate scale wars or propose naïve solutions to them, whether centralizing or community-based. How can local outer island voices be better enabled to deal with resource issues, given the realities of limited state reach and presence? Could high level dialogue around budget support include discussion of measures that will help and not hinder outer island voices and capabilities in regard to the center? Such dialogue could include discussion of the virtues of sovereign wealth funds linked to subnational transfers and the problems with constituency funds.

**Upscaling local representative governments’ capabilities to channel local voice and engage resource rent-enriched central actors.** Centralized rents generate centralized political actors keen to extend their influence down. They also enable dialogue between resource extractors and politicians in ways that exclude local/outer island actors. Local councils and governments can be very representative; but their voices are easily outweighed and overwhelmed by large projects and the decision-making that becomes more and more concentrated in powerful central ministries and politics. Multilaterals and international NGOs can support schemes, including the Extractive Industries Transparency Initiative (EITI), that disseminate information about mining and petroleum affairs and finances, and they could help adapt these to fisheries or forestry, with a focus on improving information available at the local level where those resource conflicts are often everyday affairs. The donors could also help build understandings of arrangements that create accessible, open forums for the kinds of ongoing and adaptive consensus-building needed by outer islands (in areas like resource management, service delivery, political representation). The goal would be bringing good information about situations and options into these contexts in useful ways, or brokering engageable, iterative feedback links between outer islands and centralized processes.
References


Bertram, G. and B. Poirine. 2007. Island political economy, in A world of islands, an island studies reader, University of Prince Edward Islands, pp.325-373.


